

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

June 9, 2006

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

OAHU

Status of General Lease No. S-5707, All Tree Services, Inc.,  
Waimanalo, Koolaupoko, Oahu, Tax Map Key: (1) 4-1-010:048

REMARKS:

BACKGROUND and ANALYSIS:

The Board at its meeting of May 12, 2006, under agenda item D-8, approved as amended staff's recommendation by limiting the deferral to one (1) month, indicating that at the June 9, 2006 meeting, the Board requested it be informed on the status of the Lessee's building permit application, and requested a definitive description of the business relationship with Mr. David Kendrick.

The Board submittal of June 9, 2006 (which also includes May 12, 2006, April 13, 2006 and March 10, 2006 submittals) is attached as Exhibit AA. This submittal reports staff's findings since the June 9, 2006 meeting.

PENDING DEFAULT:

IMPROVEMENTS:

Department of Planning and Permitting of the City and County of Honolulu issued a Notice of Violation dated April 20, 2005 regarding the modular building with wood deck and roof covering which was built without permit. DLNR then issued a Notice of Default (NOD) dated April 24, 2006 citing All Tree Services for failure to comply with condition 7 of the subject lease, titled "Compliance with laws". All Tree Services has sixty (60) days from the date of receipt (May 8, 2006), to cure this default. The sixty (60) days cure period for the NOD to All Tree Services will expire on July 8, 2006.

CONSERVATION PLAN:

The Natural Resources Conservation Service has taken the position that all violations under the Lease must be cured before All Tree Services is able to obtain an approved conservation plan.

The tenant is otherwise current on performance bond, rent and liability insurance.

CONCLUSION:

Mr. Kali Watson, attorney for All Tree Services, submitted a letter dated May 26, 2006, to the Land Division Administrator, informing him of All Tree Services updated status on the following: 1) the status of the building permit application; and 2) All Tree Services' business relationship with Mr. David Kendricks (Letter attached as Exhibit BB.)

In regards to All Tree Services' business relationship with Mr. Kendricks, the letter from Mr. Watson states as follows:

"As mentioned in the past, and as is the situation presently, he is a nursery consultant. Any and all plant and tree stock inventory on the Waimanalo property belongs to All Tree Services, Inc. While at one time for future consideration, the parties contemplated going into business together, this is no longer the case. Mr. Kendricks has sold his inventory to All Tree Services, Inc. and is being retained to provide his expertise on nursery development. There is no and never was any type of sublease to Mr. Kendrick from All Tree Services."

Notwithstanding the multiple violations and problems staff has had with All Tree Services, staff must acknowledge All Tree Services' attempts to cure the various defaults, and its recent efforts appear to be made in good faith. As such, staff is reluctant to recommend a termination and complete forfeiture of the Lease. Instead, staff is recommending deferring this matter to the Board meeting scheduled for July 14, 2006, to allow All Tree Services, Inc. an adequate amount of time to cure the Notice of Default for the building permit violation, the cure period for which will expire on July 8, 2006.

The Land Board should be made aware that the building permit violation might only be cured if the Chairperson approves the revised as-built building plans submitted by the tenant, All Tree Services. In the event the Land Board is inclined to accept staff's recommendation of another deferral, staff recommends that the Board make it crystal clear to the tenant, All Tree Services, that the Board action to defer in no way obligates the Chairperson to automatically approve any revised building plans submitted by the tenant. Any building plans or revised building plans will be reviewed and evaluated in the normal course to assure compliance with the terms and conditions of the Lease, and that the improvements reflected on the plans are consistent with the restricted use of intensive agriculture under the Lease.

Revised building plans were received by staff from All Tree Services on May 30, 2006, and at the time of preparation of this submittal, are currently under review.

June 9, 2006

RECOMMENDATION: That the Board defer this matter to the Board meeting scheduled for July 14, 2006, in accordance with staff's comments and recommendations cited above.

Respectfully Submitted,

*Steve Lau*

Steve Lau  
Land Agent

APPROVED FOR SUBMITTAL:

*P. T. Young*

Peter T. Young, Chairperson

**AMENDED**

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

May 12, 2006

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

OAHU

Resubmittal for Forfeiture of General Lease No. S-5707, All  
Tree Services, Inc., Lessee, Waimanalo, Koolaupoko, Oahu,  
Tax Map Key: (1) 4-1-010:048

REMARKS:

BACKGROUND and ANALYSIS:

The initial Staff Submittal describing various defaults and recommending the forfeiture of GL-S-5707 was originally scheduled on the Land Board Agenda for February 24, 2006. However, staff later learned that the tenant had planned to be out of town that week on a family vacation. Therefore, staff and the Land Board deferred action on the matter.

This matter then came before the Board on March 10, 2006, under agenda item D-6. The tenant defaults included, among other things, using the premises for a baseyard (i.e., industrial use) and a tree trimming operation, and other uses inconsistent with use restriction of intensive agriculture under this auctioned Lease. After taking substantial amount of testimony from staff, the tenant, and members of the public, the Board decided to allow the tenant additional time and deferred this matter for thirty (30) days, at which time the Board wanted this matter brought back before Board for decision making. The Board stated that it wanted the Lessee, All Tree Services, Inc. ("All Tree Services") to have the burden of establishing by clear and convincing evidence to the satisfaction of the Board that All Tree Services is in-fact currently using the subject property solely for a nursery operation that would be consistent with the restricted use of intensive agriculture.

Staff resubmitted this matter again to the Land Board at its meeting on April 13, 2006, under agenda item D-6. In addition to the issue of the baseyard and tree trimming operation, staff informed the Board about new and recent defaults involving the performance bond requirement, and rent. The delinquent rent was ultimately cured several days before the Board meeting, but the performance bond remained outstanding. At the Board meeting, All Tree Services promised to cure the performance bond issue within

**EXHIBIT "AA"**

*as Amended*  
APPROVED BY THE BOARD OF  
LAND AND NATURAL RESOURCES  
AT ITS MEETING HELD ON

MAY 12, 2006

D-8



the sixty (60) day cure period, and also provided the Board with a copy of an agreement that indicated that it had arranged to lease another property offsite to relocate its baseyard and tree trimming operations. All Tree Services represented to the Board that it was not conducting any portion of its tree trimming operation at the subject State property encumbered by GL-S5707. The Board decided to defer the matter another month, and meanwhile asked staff to attempt to verify (through unannounced inspections and other methods) whether All Tree Services' baseyard and tree trimming operation had in-fact been relocated elsewhere. The owner of All Tree Services, Mr. Terrence Rodrigues also agreed to provide staff with a sworn declaration to establish that it is currently using the subject property only for a nursery operation consistent with the restricted use of intensive agriculture under the Lease.

The Board submittal of April 13, 2006 (which also includes March 10, 2006 submittal) is attached as Exhibit A. This submittal reports the staff's findings since the April 13, 2006 Board meeting.

NEW DEFAULT:

IMPROVEMENTS:

Department of Planning and Permitting of the City and County of Honolulu issued a Notice of Violation dated April 20, 2006 regarding the modular building with wood deck and roof covering which was built without permit. DLNR then issued a Notice of Default (NOD) dated April 24, 2006 citing All Tree Services for failure to comply with condition 7 of the subject lease, titled "Compliance with laws". All Tree Services has sixty (60) days after receipt of the NOD to cure this default.

PENDING DEFAULTS:

PERFORMANCE BOND:

All Tree Services must cure this default on or before June 5, 2006. On May 2, 2006, All Tree Services indicated that it would deposit the sum of \$30,000 into a certificate of deposit, jointly naming the State. Staff is currently working with the All Tree Services to secure the necessary paper work to submit to the Band that would satisfy the performance bond requirement in the Lease.

CONSERVATION PLAN:

The Natural Resources Conservation Service has taken the position that all violations under the Lease must be cured before All Tree Services is able to obtain an approved

conservation plan.

The tenant is otherwise current on rent and liability insurance.

RECENT INSPECTIONS:

On April 21, 2006, staff conducted an unannounced inspection of the subject property. Between 5:35am to 8:00am, staff observed across the entrance to the subject property, but did not notice any trucks or heavy equipment entering or leaving the subject property. Around 8:00am, staff drove into the property and met with Mr. Les Toyama, General Manager of All Tree Services.

During the tour of the property, staff noticed different species of trees and plants in the ground or in pots. There is an area where All Tree Services is displaying their xeriscaping (landscaping with slow-growing, drought tolerant plants to conserve water and reduce yard trimmings) to any prospective customers. Two workers were seen in the field.

An excavator, a backhoe, a trailer, two pick-up trucks were seen on the property. According to Mr. Toyama, one of the trucks belongs to one their employee who was on the mainland, and All Tree Services planned to trade-in the other truck shortly. The trailer belonged to an independent contractor and that the trailer would be removed permanently from the site.

Staff also noticed a stack of kiawe wood and tree trunks on the site. Mr. Toyama explained that the tree trunks will be used as berms on the property, and that the kiawe wood would be discarded from the shortly.

A trailer office with a deck and a restroom were seen on the property. The inspection on April 21, 2006 ended around 9:15am.

On April 28, 2006, staff again performed an unannounced inspection of the property at around 5:05 p.m. The condition of the property appeared identical to the last inspection of April 21, 2006. Two employees were seen leaving the property when staff was close to finishing the inspection.

Staff subsequently received two letters from the community that seem to indicate All Tree Services was conducting retail sales of kiawe wood from the subject property. (See Exhibit B). Land Division staff then called the phone number shown on the receipts on May 2, 2006, at around 10:30 a.m., and asked to purchase kiawe wood. A woman by the name of, Vivian answered the phone and told staff that kiawe wood could be purchased from the nursery situated at 41-960, Waikupanaha Street, for \$35 per bag, containing approximately between 60 to 70 pounds of Kiawe wood. Thereafter, Mr. Rodrigues told staff that he removed all kiawe wood and tree trunks from the property. Mr. Rodrigues produced receipts of dumping chips at the dumping ground at Kapaa Quarry Road. He and his lawyer, Kali Watson represented that All Tree

Services has removed all kiawe wood from the site, and assured staff that it would no longer store or otherwise sell kiawe wood from the State property. On May 3, 2006, staff inspected the property and confirmed that all kiawe wood have been removed, and there does not appear to be any indication of any current operation involving the retail sales of kiawe wood. See Exhibit C.

Mr. Rodrigues signed a sworn declaration (see Exhibit D) attesting to, among other things, that All Tree Service is only using the subject property for its nursery operation, consistent with the use restriction of intensive agriculture contained in GL-S 5707.

CONCLUSION:

Staff notes that trucks and equipment related to the tree trimming operation of All Tree Services have been removed from the site. As observed during inspections, All Tree Services is conducting a nursery operation at the subject property.

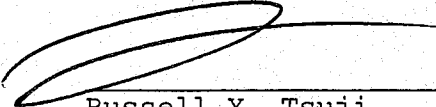
Kiawe wood is not grown on the subject property. It appears that the Kiawe wood was initially brought onto the property from other sites for purposes of retail sales. Exhibit B. The retail sale of Kiawe wood is not considered intensive agriculture, and would be considered a violation of the Lease. However, Mr. Terrence Rodrigues and attorney Kali Watson insist that as of May 3, 2006, all existing Kiawe wood have been removed from the site, and Kiawe wood would no longer be brought onto the site. Staff's inspection on May 3, 2006 confirmed the statements of Messrs. Rodrigues and Watson, in that it appeared to staff that All Tree Services had in-fact ceased all sales and removed all of the Kiawe wood from the site. Furthermore, All Tree Services has since remedied all other defaults within their respective cure periods, and is in the process of curing the one remaining default involving a building permit violation issued by the City and County of Honolulu. Under the terms of the Lease, All Trees Services has until June 26, 2006 to resolve the building permit violation.

Notwithstanding the multiple violations and problems staff have had with All Tree Services, staff must acknowledge All Tree Services attempt to cure the various defaults, and its efforts appear to be made in good faith. As such, staff is reluctant to recommend a termination and complete forfeiture of the Lease. Instead, staff is recommending another deferral of sixty (60) days to allow All Tree Services an adequate amount of time to cure the building permit violation. The Land Board should be made aware that the building permit violation might only be cured if the Chairperson approves the revised as-built building plans submitted by the tenant, All Tree Services. In the event the Land Board is inclined to accept staff's recommendation of another deferral, staff recommends that the Board make it crystal

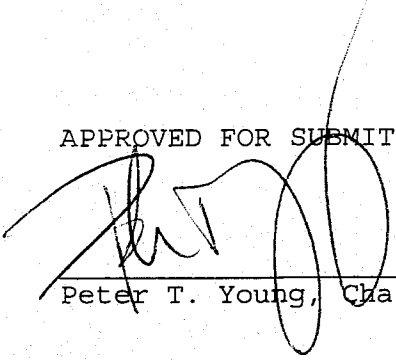
clear to the tenant, All Tree Services, that the Board action to defer in no way obligates the Chairperson to automatically approve any revised building plans submitted by the tenant. Any building plans or revised building plans will be reviewed and evaluated in the normal course to assure compliance with the terms and conditions of the Lease, and that the improvements reflected on the plans are consistent with the restricted use of intensive agriculture under the Lease.

RECOMMENDATION: That the Board defer this matter another sixty (60) days, in accordance with staff's comments and recommendations cited above.

Respectfully Submitted,

  
\_\_\_\_\_  
Russell Y. Tsuji  
Land Division Administrator

APPROVED FOR SUBMITTAL:

  
\_\_\_\_\_  
Peter T. Young, Chairperson

**Approved As Amended.** The Board amended staff's recommendation by limiting the deferral to one (1) month, indicating that at the June 9, 2006 meeting, the Board wanted to be informed on the status of the Lessee's building permit application, and a definitive description on the business relationship with Mr. Kendrick.

EXHIBIT " A "

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

April 13, 2006

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

Oahu

Resubmittal for Forfeiture of General Lease No. S-5707,  
All Tree Services, Inc., Lessee, Waimanalo, Koolauoko,  
Oahu, Tax Map Key: (1) 4-1-010:048.

PURPOSE:

Forfeiture of General Lease No. S-5707, All Tree Services,  
Inc.

LEGAL AUTHORITY:

Section 171-39, Hawaii Revised Statutes, as amended.

LOCATION AND AREA:

Portion of Government lands situated at Waimanalo, Koolauoko,  
Oahu, consisting of 5.256 acres, more or less, identified by  
Tax Map Key: (1) 4-1-010:048, as shown on the attached map  
labeled Exhibit A.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State  
Constitution: YES \_\_\_\_\_ NO   x  

CHARACTER OF USE:

Intensive Agriculture.

TERM OF LEASE:

Thirty (30) years, commencing on September 1, 2004 and  
expiring on August 31, 2034.

EXHIBIT "A"

ANNUAL RENTAL:

\$15,000.00 per annum due in semi-annual payments.

REMARKS:

Background:

The Board, at its meeting of March 10, 2006, under agenda item D-6, deferred action on this item for one month. The Lessee, All Tree Services, Inc. ("All Tree"), was required to establish by clear and convincing evidence to the satisfaction of the Board that the Lessee is using the subject property solely for a nursery operation that is consistent with the restricted use of intensive agriculture under the Lease. The Lessee was also requested to establish by clear and convincing evidence to the satisfaction of the Board that the Lessee is no longer using the subject property in any manner except for the restricted use of intensive agriculture under the Lease.

The Board submittal of March 10, 2006 is attached as Exhibit B. The background, analysis and exhibits contained therein are not repeated with this submittal, which is an update of the March 10, 2006 submittal.

Analysis:

As of the date of preparation of this submittal, March 31, 2006, the current status of all lease compliance items is as follows:

RENT: The Lessee owes \$7,500.00 rent covering the period March 1, 2006 to August 31, 2006. Staff called All Tree Services, Inc., twice regarding the rent. On both occasions, All Tree stated it was reluctant to pay the rent due to the possibility that their lease may be cancelled. Staff sent a Notice of Default dated March 20, 2006, for the rent past due (See Exhibit C). The letter stated a thirty day cure period.

INSURANCE: The Lessee has posted the required liability insurance policy.

PERFORMANCE BOND:

The Lessee's performance bond is due. This bond is in the form of a surety bond with Island Insurance

Company, Ltd., which expired on March 4, 2006. A Notice of Default was sent March 31, 2006 (See Exhibit D). Staff called All Tree regarding the performance bond. Again, All Tree stated it was reluctant to secure a new performance bond due to the possibility that the lease may be cancelled.

CONSERVATION PLAN: The Lessee is currently working with Sheila Cox of the Natural Resources Conservation Service (NRCS) in the preparation of their conservation plan.

Since the last Board meeting on March 10, 2006, Mr. Lester Toyama, General Manager of All Tree requested a copy of the material Mr. Tom Staton submitted to the Board on March 10, 2006. Also, Mr. Tom Staton requested a copy of the powerpoint presentation by Mr. Kali Watson. Staff fulfilled both of these requests.

Since March 10, 2006, one additional letter dated February 15, 2006, from State Representative Tommy Waters was received by Land Division, alleging non-agricultural use of State land zoned for agriculture (See Exhibit E).

Conclusion:

Staff concedes that a portion of the property is being used for intensive agriculture. However, the primary purpose of the leased premises still appears to be for the continued use of the property for All Tree's baseyard operation, i.e. "for the tree trimming, cutting, chipping, hauling, cleaning, pruning, shaping, surgery and related business activities."

As of the date of preparation of this submittal, March 31, 2006, staff was unable to confirm that All Tree has physically relocated to the Kapolei site. Staff spoke with Mr. Noel Akamu of the Land Management Division of the Department of Hawaiian Home Lands (DHHL), and Mr. Akamu was uncertain if All Tree had relocated to DHHL property in Kapolei. Also, All Tree has not submitted any evidence to confirm this move.

Staff talked to Mr. Lester Toyama of All Tree, on March 31, 2006, in which he mentioned that although All Tree had a signed sublease with DHHL for the Kapolei site, none of All Tree's equipment or vehicles were yet at the Kapolei property. Equipment was still being stored at various job sites and All Tree vehicles were being driven home by their workers who



possessed a commercial driver license.

Based on the information mentioned above, and in compliance with the Board's action at its meeting of March 10, 2006, under agenda item D-6, to defer action for one month, this submittal is being resubmitted to the Board with staff's recommendation that General Lease No. S-5707 to All Tree Services, Inc. be cancelled.

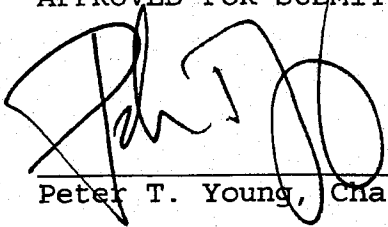
RECOMMENDATION: That the Board:

1. Authorize the cancellation of General Lease No. S-5707 in the manner specified by law;
2. Authorize the retention of all sums heretofore paid or pledged under General Lease No. S-4298 as liquidated damages;
3. Terminate the lease and all rights of Lessee and all obligations of the Lessor effective as of April 13, 2006, provided that any and all obligations of the Lessee which have accrued up to said effective date, or which are stated in the lease to survive termination, shall endure past such termination date until duly fulfilled, and further provided that Lessor reserves all other rights and claims allowed by law; and
4. Authorize the Department of the Attorney General, the Department of Land and Natural Resources, or their agents to collect all monies due the State of Hawaii under General Lease No. S-5707 and to pursue all other rights and remedies as appropriate.

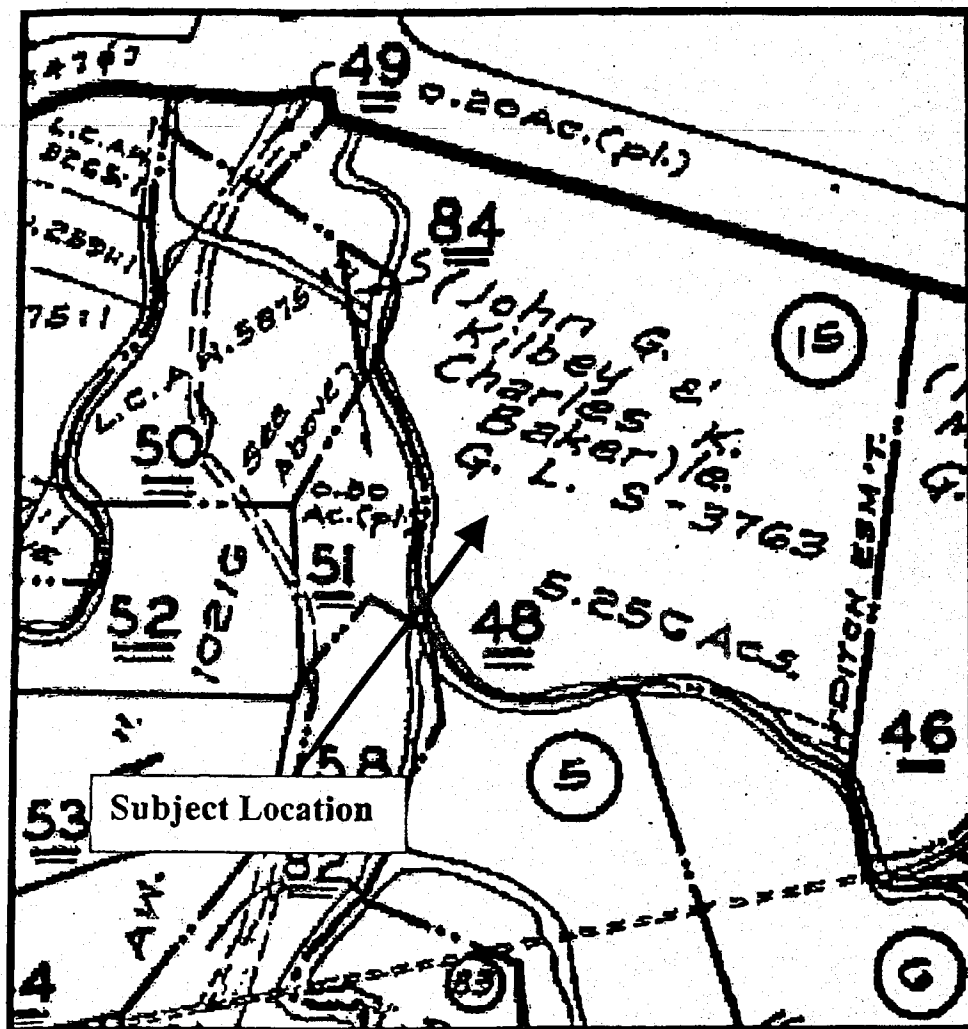
Respectfully Submitted,

*M1 for Steve Molme*  
\_\_\_\_\_  
Steve Lau  
Land Agent

APPROVED FOR SUBMITTAL:

  
\_\_\_\_\_  
Peter T. Young, Chairperson





TMK (1) 4-1-010:048

EXHIBIT A

D-6

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

March 10, 2006

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

Oahu

Resubmittal for Forfeiture of General Lease No. S-5707,  
All Tree Services, Inc., Lessee, Waimanalo, Koolau-poko,  
Oahu, Tax Map Key: (1) 4-1-010:048.

PURPOSE:

Forfeiture of General Lease No. S-5707, All Tree Services,  
Inc.

LEGAL AUTHORITY:

Section 171-39, Hawaii Revised Statutes, as amended.

LOCATION AND AREA:

Portion of Government lands situated at Waimanalo, Koolau-poko,  
Oahu, consisting of 5.256 acres, more or less, identified by  
Tax Map Key: (1) 4-1-010:048, as shown on the attached map  
labeled Exhibit A.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State  
Constitution: YES \_\_\_\_\_ NO   x  

CHARACTER OF USE:

Intensive Agriculture.

TERM OF LEASE:

Thirty (30) years, commencing on September 1, 2004 and  
expiring on August 31, 2034.

**EXHIBIT " E "**

ANNUAL RENTAL:

\$15,000.00 per annum due in semi-annual payments.

REMARKS:

Background:

The Board at its meeting of February 24, 2006, under Agenda Item D-3, accepted Mr. Kali Watson's, attorney for All Tree Services, request for a deferral. (See Exhibit D).

The subject property was previously encumbered under General Lease No. S-3763 to William and Charlotte Fuller, Lessees. On February 28, 1997, under agenda Item D-24, the Board authorized the forfeiture of the lease due to illegal construction of a church and gazebo, and unauthorized commercial activities (wedding operations) on the premises.

The cancellation of General Lease No. S-3763 was effective on June 15, 1997. A fire occurred on the property sometime in 1997 after the lease was cancelled, which destroyed the structures on the premises.

At its meeting of March 25, 2004, under agenda Item D-1, the Board authorized the sale of a lease at public auction for intensive agriculture purposes. The lease was awarded to All Tree Services, Inc. as the highest bidder for the subject property for a term of thirty (30) years.

All Tree Services, Inc. (All Tree) is currently registered with the Department of Commerce and Consumer Affairs ((DCCA) as a domestic profit corporation, "to engage in the business of tree trimming, cutting, chipping, hauling, cleaning, pruning, shaping, surgery and related business activities." At the time of their application to qualify for the public auction, All Tree presented a plan that showed their intended use of the property for the nursery portion of their business. All Tree was deemed qualified to bid based on its representation that it intended to use the property for intensive agriculture purposes. In its "Application and Qualification Questionnaire Form", under "Business Plan", All Tree states "The land will be used to establish an environmental effective nursery, along with our goal to incorporate our current business of uprooting and replanting various trees to become a core provider in landscaping and generating a profitable income in the years ahead."

Problem:

The City and County zoning for the subject property is Ag-2. Sometime in October or November of 2005, staff began receiving phone calls from neighbors that All Tree was using the site as a baseyard for its tree trimming business. Because the lease references as one standard of compliance with the character of use requirement in the lease, the phrase "and any other agricultural use allowed under the county zoning excluding pasture, raising of animals, and raising of poultry", staff requested the City and County, Department of Planning and Permitting staff (DPP) to conduct a site inspection. DPP advised staff that a baseyard is not permitted under Ag-2 zoning. DPP conducted its inspection of the leased premises and reported that approximately six to seven All Tree vehicles were seen entering and leaving the property on Waikupanaha Street. DPP subsequently advised Land Division in early November 2005 that pursuant to DPP inspections, the property was being operated as a baseyard in violation of the Ag-2 zoning.

Thereupon, pursuant to the authority granted the Chairperson by the Board of Land and Natural Resources and the breach provision contained in General Lease S-5707, All Tree Services, Inc., Lessee, was served a Notice of Default by certified mail dated November 17, 2005, delivered and signed for as received on November 23, 2005, for:

- X Failure to comply with condition No. 12 of General Lease No. S-5707 under "Character of use" which states "The Lessee shall use or allow the premises leased to be used solely for intensive agricultural purposes."

" 'Intensive agriculture' means the cultivation of truck, orchard, flower and foliage crops and any other agricultural use allowed under the county zoning excluding pasture, raising of animals, and raising of poultry."

The NOD offered the Lessee a sixty (60) day cure period to correct the default. This cure period expired on January 22, 2006 (Exhibit B).

Since issuance of the Notice of Default, staff has received a series of phone calls and letters from neighbors stating that All Tree is operating a baseyard for its tree trimming business from the site. Complaints have included the alleged baseyard operation being conducted on the property, noise

disturbance and nuisance resulting from the operation of machinery on the property during early hours of the morning, conducting the commercial sale of kiawe firewood from the property, and complaints of heavy flow of traffic along Waikupanaha Street during early morning hours and early evening hours resulting from numerous vehicles and machinery both entering as well as leaving the All Tree Services Inc., property. As of the date of this submittal, a total of ten (10) complaint letters regarding All Tree Services, Inc., were received from other property owners in the area (See attached letters labeled as Exhibit C).

Staff held a status meeting on January 5, 2006 with All Tree and its principal, Mr. Terrence Rodrigues, and its attorney, Mr. Kali Watson. At the meeting, Mr. Rodrigues was questioned regarding the situs of All Tree's place of business and base of operation for its tree trimming business. Mr. Rodrigues stated that All Tree's place of business and base of operation was the subject leased premises. He noted it was All Tree that had been qualified to bid at the public auction and it was All Tree that was the named lessee. Moreover, Mr. Rodrigues stated that the corporate purpose on file with the DCCA, i.e. "to engage in the business of tree trimming, cutting, chipping, hauling, cleaning, pruning, shaping, surgery and related business activities" was consistent with the requirement for intensive agriculture set forth in the lease. He produced photos of portions of the property that were in cultivation. He also noted that his improvement plans, which included a parking lot with 24 stalls, were approved by the Department. Additional improvement plans, which included a second office and a second parking area, had been submitted to staff for approval on December 15, 2005. These were reviewed briefly at the meeting, however, All Tree noted that it intended to revise the plans, and planned to eliminate the second office and second parking area and would resubmit the additional improvement plans at a later date. At the meeting, staff noted that its inspection of the property did indeed confirm that portions of the leased premises were in cultivation. However, the issue was whether the non-nursery portions of the business, which included going to off-premises sites to do tree trimming, pruning, removal, etc., were consistent with the "intensive agriculture" character of use and the Ag-2 zoning, as opposed to being a baseyard for the off-premises portion of All Tree's business.

After the ending of the sixty (60) day cure period on January 22, 2006, staff received phone calls and two letters from Mr. Kali Watson, dated January 23 and 24, 2006 (see Exhibit D) indicating that the issues which led to the Notice of Default had been resolved. Mr. Watson noted that he had arranged for an inspection with DPP and believed that DPP would verify that a subsequent inspection did not result in a finding of a violation for operation of a baseyard. In response to questions from staff about the current situs of All Tree's baseyard for its tree trimming business, Mr. Watson wrote on January 24, 2006 that "Mr. Rodrigues has a base yard on private property where he stores said equipment. Some of his workers that have CDL or commercial drivers licenses each take their trucks home, which is allowed under the law. Additional equipment is also kept on the various job sites." Mr. Watson elaborated in a phone call that drivers of the All Tree Services trucks which were being used for the tree trimming portion of the business were told not to park nor bring these vehicles back onto the lease property.

In his letter of January 24, 2006, Mr. Watson states that "Mr. Rodrigues does have some equipment on site, but this is used for the nursery business. He has a chipper, a crane truck and several little trucks, which he uses in his nursery business."

Staff concurs that a crane truck and a chipper may be considered to be consistent with intensive agricultural use of the property.

Staff inquired of Mr. Watson regarding more specifics with respect to the statement in his letter that "Mr. Rodrigues has a base yard on private property where he stores said equipment." Mr. Watson advised that this property was under the Department of Hawaiian Home Lands (DHHL) in Kapolei. Staff confirmed with Mr. Noel Akamu of DHHL that DHHL was working with Mr. Watson to have All Tree approved as a sublessee on DHHL property.

Staff spoke with DPP staff after the ending of the cure period on January 22, 2006 about whether the property was continuing to be used as a baseyard. Mr. David Kalai noted that at the inspection arranged by Mr. Watson, he indeed found that the property no longer appeared to be a baseyard. However, subsequent inquiries to other DPP staff, including Mr. Bill Kupau, Mr. Colin Ishikawa and Branch Chief Mr. Russell Kaneshiro, indicated that DPP was reluctant to inspect the



March 10, 2006

property because of a lack of staffing and because this was a State-managed lease; DPP preferred that the State conduct its own inspections.

A site inspection of the property conducted by Land Division staff on February 3, 2006, during the period from 5:50 a.m. to 7:33 a.m., revealed that in addition to the vehicles required for the nursery operation of their business ("a chipper, a crane truck and several little trucks") the following parked vehicles and machinery were observed on the property:

- 5 All Tree Services, Inc. trucks, consisting of 3 large trucks, and 2 boom crane trucks.
- 1 Kiawe Hawaii truck located alongside of 3 stacks of chopped kiawe wood.
- 1 tractor/back-hoe machinery.

In addition to the above parked vehicles, various size All Tree vehicles and machinery were observed entering and leaving the premises during the period of the inspection (see attached photos labeled as Exhibit E).

A second site inspection of the property was conducted by staff on February 6, 2006, during the period of 5:30 p.m. to 6:10 p.m. The inspection found the following parked vehicles and machinery in addition to those cited as necessary for the nursery operation (see attached photos labeled as Exhibit F):

- 2 All Tree Services, Inc. trucks w/ladder buckets.
- 1 tractor/back-hoe machinery.
- 1 All Tree Services, Inc. dump truck filled with wood chippings.
- 1 kiawe wood splitting machine situated alongside of 3 stacks of chopped kiawe wood.

A third site inspection was conducted on February 12, 2006 at 6:40 a.m. The inspection found the following parked vehicles and machinery:

- 3 wood chippers (2 in excess of that stated as necessary for the nursery)

March 10, 2006

- 1 crane (or boom truck) (necessary for nursery)
- 2 big trucks
- 3 small trucks (necessary for nursery)
- 1 truck with Kiawe Hawaii on front door

In addition, another letter dated February 6, 2006 with photographs was received from a neighbor, alleging use as a baseyard.

Analysis:

As of the date of preparation of this submittal, February 28, 2006, the current status of all lease compliance items is as follows:

RENT: The Lessee is current with all rent obligations.

INSURANCE: The Lessee has posted the required liability insurance policy.

PERFORMANCE BOND: The Lessee has posted the required performance bond. This bond is in the form of a surety bond with Island Insurance Company, Ltd., which will expire on March 4, 2006.

CONSERVATION PLAN: The Lessee is currently working with Sheila Cox of the Natural Resources Conservation Service (NRCS) in the preparation of their conservation plan.

Since the issuance of the lease to All Tree Services, Inc. in August 13, 2004, only one Notice of Default letter dated January 21, 2005, was sent to the Lessee for delinquent performance bond and delinquent liability insurance. Both of these issues have since been resolved.

Conclusion:

Staff concedes that a portion of the property is being used for intensive agriculture. However, the primary purpose of the leased premises appears to be for the continued use of the property for All Tree's baseyard operation, i.e. "for the tree trimming, cutting, chipping, hauling, cleaning, pruning, shaping, surgery and related business activities."

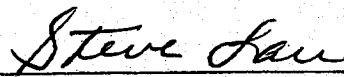
March 10, 2006

Based on the information mentioned above, staff recommends that General Lease No. S-5707 to All Tree Services, Inc. be cancelled.

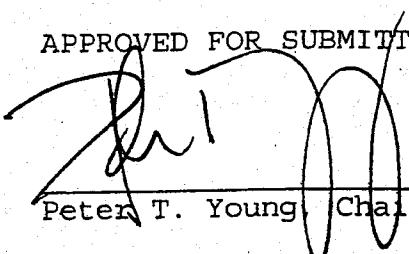
RECOMMENDATION: That the Board:

1. Authorize the cancellation of General Lease No. S-5707 in the manner specified by law;
2. Authorize the retention of all sums heretofore paid or pledged under General Lease No. S-4298 as liquidated damages;
3. Terminate the lease and all rights of Lessee and all obligations of the Lessor effective as of March 10, 2006, provided that any and all obligations of the Lessee which have accrued up to said effective date, or which are stated in the lease to survive termination, shall endure past such termination date until duly fulfilled, and further provided that Lessor reserves all other rights and claims allowed by law; and
4. Authorize the Department of the Attorney General, the Department of Land and Natural Resources, or their agents to collect all monies due the State of Hawaii under General Lease No. S-5707 and to pursue all other rights and remedies as appropriate.

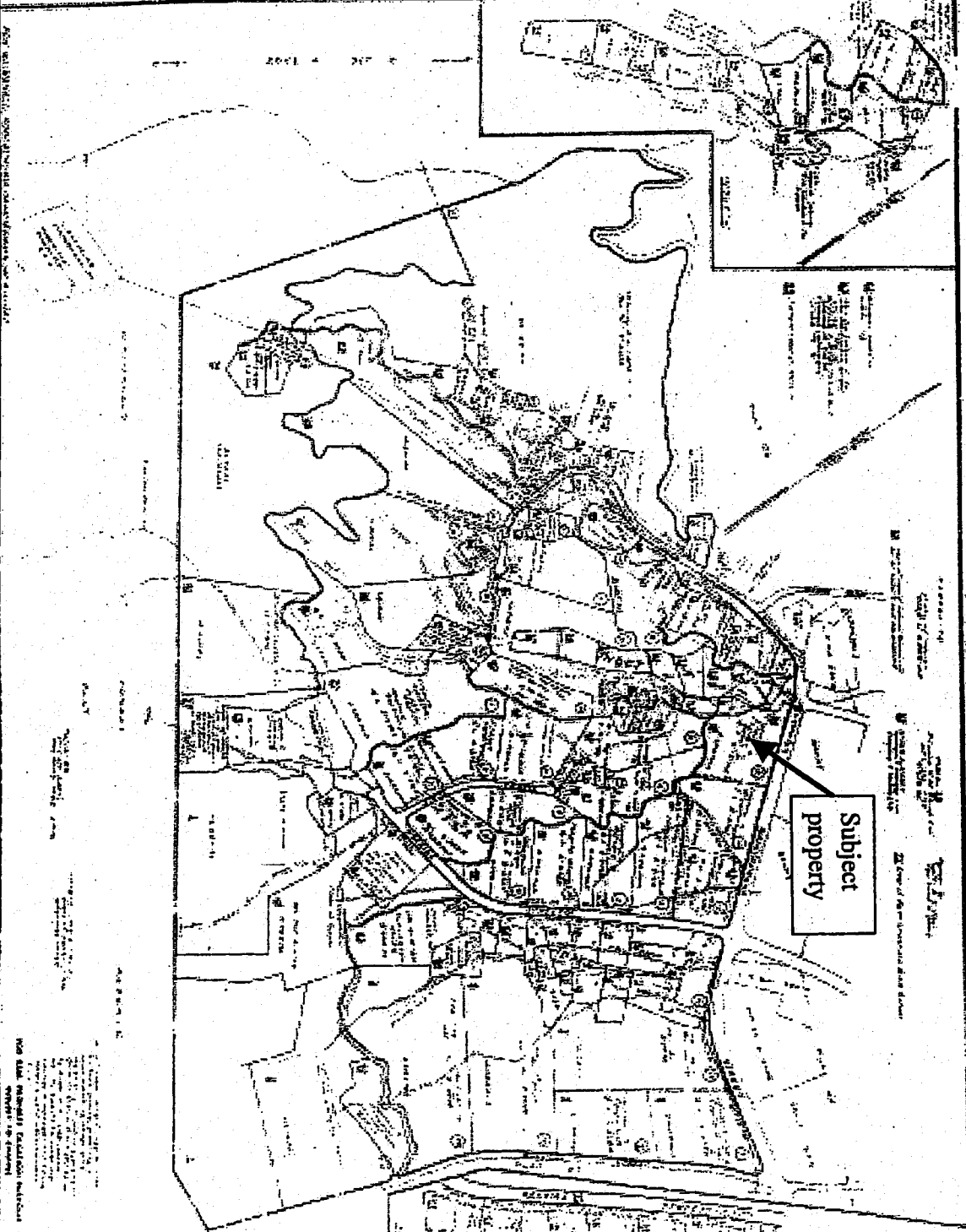
Respectfully Submitted,

  
Steve Lau  
Land Agent

APPROVED FOR SUBMITTAL:

  
Peter T. Young, Chairperson

NO. 100, 1000  
NO. 100, 1000  
NO. 100, 1000



Subject  
property

EXHIBIT "A"

**EXHIBIT A**

LINGLE  
OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

NOV 17 2005

PETER T. YOUNG  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA  
DEPUTY DIRECTOR

DEAN NAKANO  
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAOLOAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

CERTIFIED MAIL

7001 2510 0002 9389 5608  
All Tree Services, Inc.  
P.O. Box 36  
Waimanalo, Hawaii 96795

Dear Lessee:

Subject: General Lease No. S-5707, All Tree Services, Inc.,  
Situate Waimanalo, Koolaupoko, Oahu,  
Tax Map Key: (1) 4-1-010:048

NOTICE OF DEFAULT

This letter is to notify you that the Department of Land and Natural Resources, Land Division, has received notification from the City and County of Honolulu that the subject property is being used as a baseyard. We believe this is in connection with your tree trimming business.

Pursuant to the authority granted me by the Board of Land and Natural Resources at its meeting of January 11, 1980, and the breach provision contained in General Lease No. S-5707, you are hereby served a Notice of Default on said lease for failure to do the following:

X Failure to comply with condition No. 12 of General Lease No. S-5707, "Character of use", which states "The Lessee shall use or allow the premises leased to be used solely for intensive agricultural purposes."

"Intensive agriculture" means the cultivation of truck, orchard, flower and foliage crops and any other agricultural use allowed under the county zoning excluding pasture, raising of animals, and raising of poultry.

The City and County zoning for your property is Ag-2. The City and County has advised that a baseyard is not a permitted use pursuant to Ag-2 zoning. You must not use the subject property as a baseyard.

EXHIBIT "A" 77

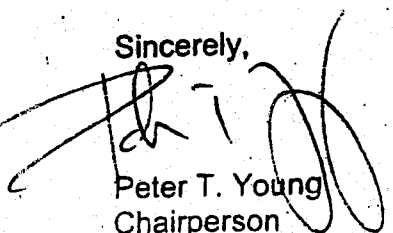
You are hereby given sixty (60) days from the date of receipt of this letter to cure the above-described breach.

Your failure to act on the above matter will result in the following:

1. Cancellation of General Lease No. S-5707.
2. Retention of all sums heretofore paid under General Lease No. S-5707 as liquidated damages.
3. Termination of all your rights and obligations under General Lease No. S-5707.
4. Forfeiture of your lease performance bond.

We therefore urge your fullest cooperation. Should you have any questions, please contact our Oahu District Land Branch at (808) 587-0433.

Sincerely,



Peter T. Young  
Chairperson

c: Land Board Member  
Central Office  
Fiscal Office  
Security Interest Holder  
Bond Holder

54737

2-19-06

Mr. Peter Young  
Chairperson  
Board of Land & Natural Resources  
State of Hawaii  
P.O. Box 621  
Honolulu, HI 96809

RECEIVED  
LAND DIVISION

RECEIVED

2006 FEB 24 A 10:21

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

Dear Mr. Young,

I have been a resident and landowner in Waimanalo for over 25 years. Over the past 5 years, I have noticed a significant increase in commercial contractors on Agriculture zone lots throughout Waimanalo, on both state and private land. In these Agricultural zones, I am aware of business contractors such as Masonry, Electrical, General, and Tree Pruning Contractors. Additionally, there are also several roll-off trucking companies, all of which are illegal businesses on Agricultural land. This needs to be stopped immediately before Waimanalo becomes a Commercial Industrial Park.

One of the more recent illegal operations is at 41-960 Waikupanaha Street. This is Agriculture Lease State land, which was originally leased for the purposes of developing a tree farm. It has become a base yard for All Tree Services, All Roll-Off Trucking, All Demolition & Kiawe Hawaii under the name of All Tree Farm. They have constructed a large paved parking area for over 20 trucks/vehicles. Installed on 4 large telephone poles surrounding the parking area are bright Halogen lights and security cameras (Photos 1, 2 & 3). In my opinion, this is a blatant disregard for the proper use of Agricultural land. The run-off of contaminants from trucks and equipment into the ground and nearby streams is unacceptable. The leaseholder has left a mess at his previous location at Rock Road Egg Farm (Photo 4). We do not want a repeat of this in our own neighborhood.

The pictures provided were taken during the week of Feb. 14-18, 2006.

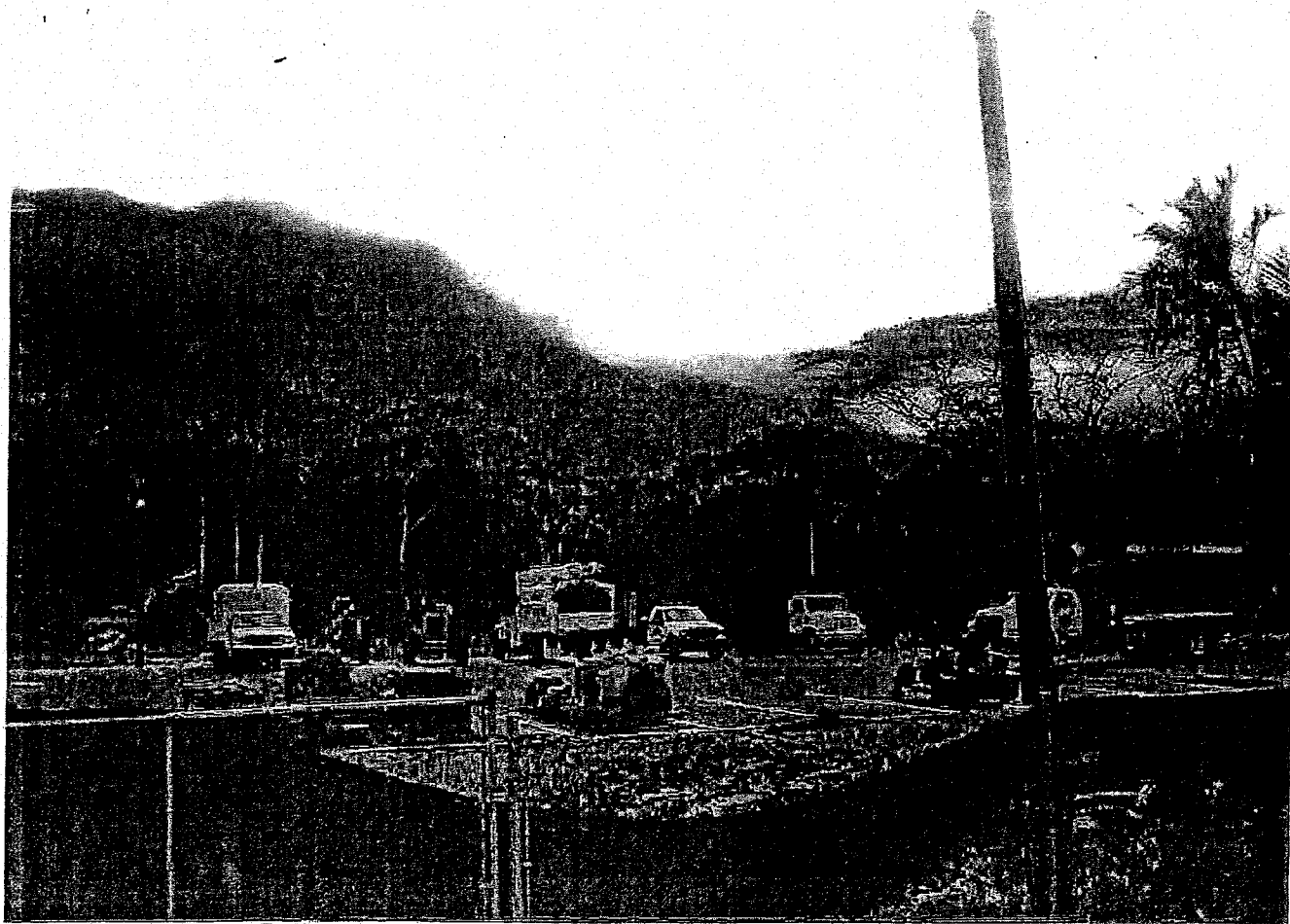
Respectfully,

  
Steve Nimz

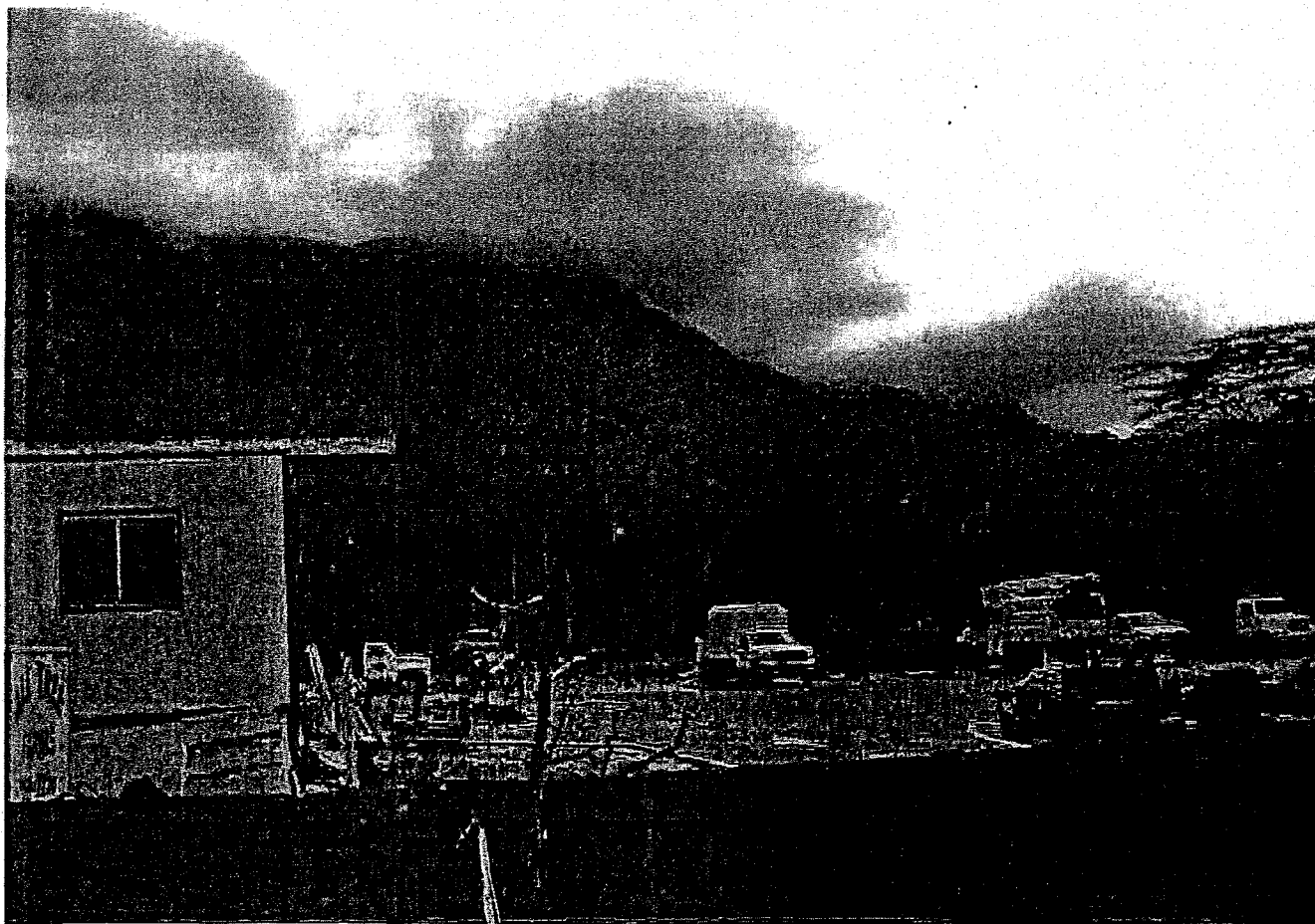
41-982 Waikupanaha Street  
Waimanalo, HI 96795

#1  
EXHIBIT "C"

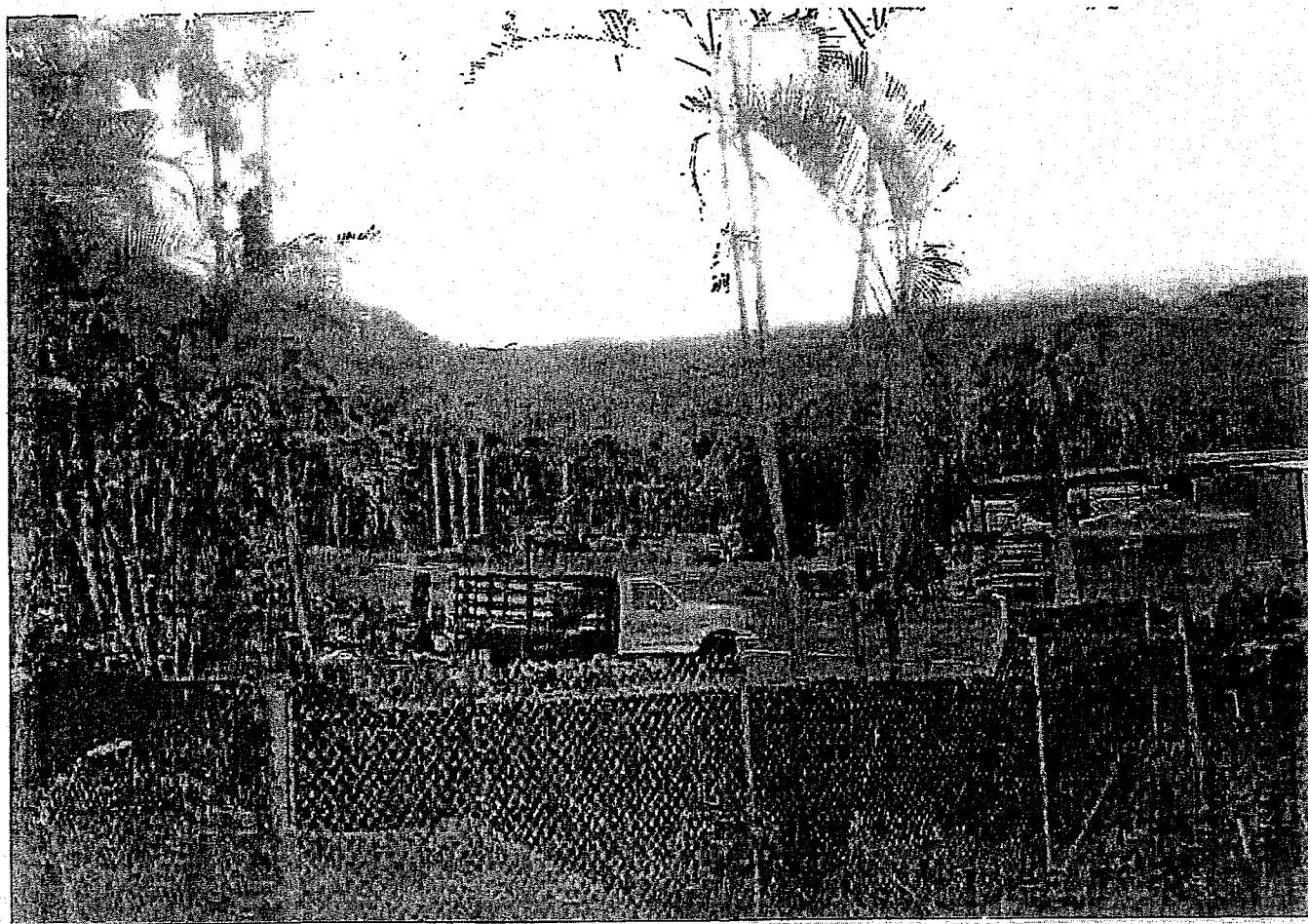




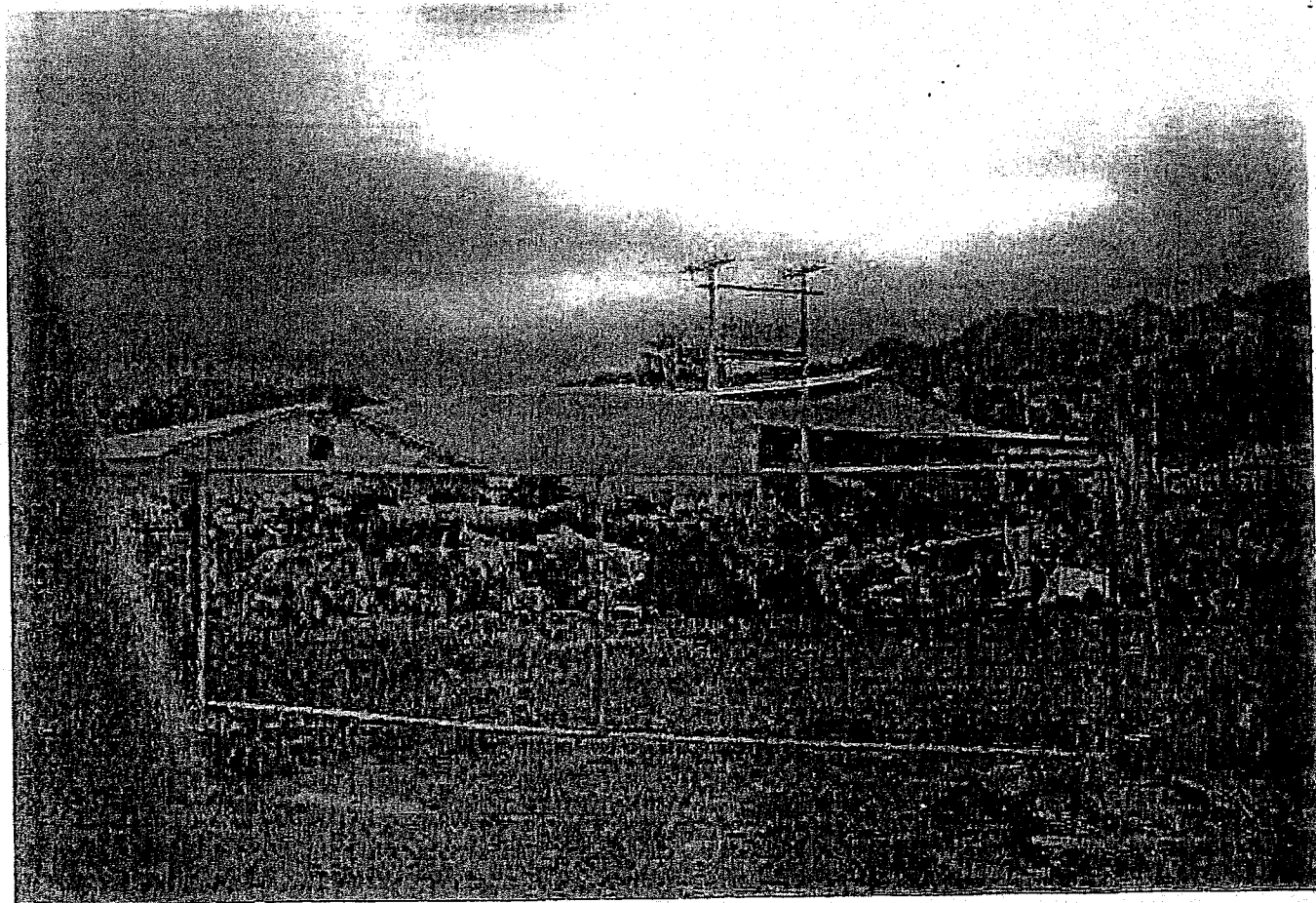
#1



#2



#3



#4

60818

Joseph A. Gomes  
Attorney at Law

767 Kailua Road, Suite 202  
Kailua, Hawaii 96734  
808-262-5859  
jagomes@juno.com

RECEIVED

05 NOV -7 A8:13

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

November 4, 2005

**Via Certified Mail;  
Return Receipt Requested**

Peter T. Young  
Chairperson  
Board of Land and Natural Resources  
State of Hawaii  
P.O. Box 621  
Honolulu, Hawaii 96809

**Re: General Lease No. S-5707 between the State of  
Hawaii and All Tree Services, Inc. ("Lease")**

Dear Mr. Young,

I represent Quality Turfgrass, Inc. Quality Turfgrass is located at 41-951 Waikupanaha Street, Waimanalo, Hawaii, across the street from TMK (1)4-1-10:48, the real property that is the subject of the Lease ("Site").

The lessee, All Tree Services, Inc., has improperly converted the Site into an industrial parking lot for its heavy trucks and equipment, and as a dump for large tree logs and cuttings (See the enclosed photographs). The Site is not being used for intensive agricultural purposes, the purpose for which the Lease was granted, and water-use practices at the Site cause runoff that likely harms a nearby stream. In addition, All Tree's large trucks create considerable noise and on many occasions have blocked traffic on Waikupanaha Street fronting Quality Turfgrass.

The present use of the Site is in clear violation of the Lease, and applicable laws regulating zoning and land use in the area. This prohibited use of the Site is also causing a detrimental impact on Quality Turfgrass, its customers, and its employees.

As the Site's landlord, we respectfully request your immediate action to correct the ongoing Lease violations and the unlawful use of the Site by All Tree.

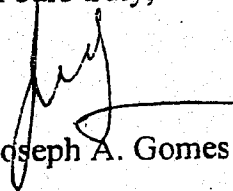
#2

EXHIBIT "C"

Peter T. Young  
November 4, 2005  
page two

Thank you in advance for your prompt response to our request.

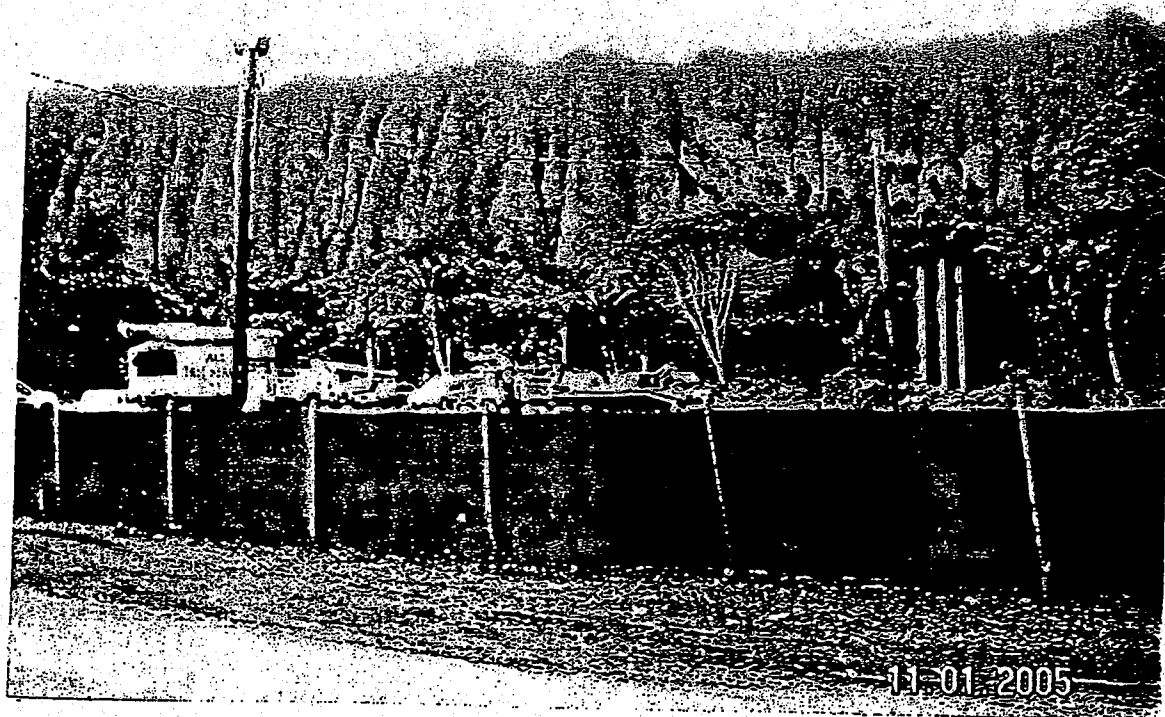
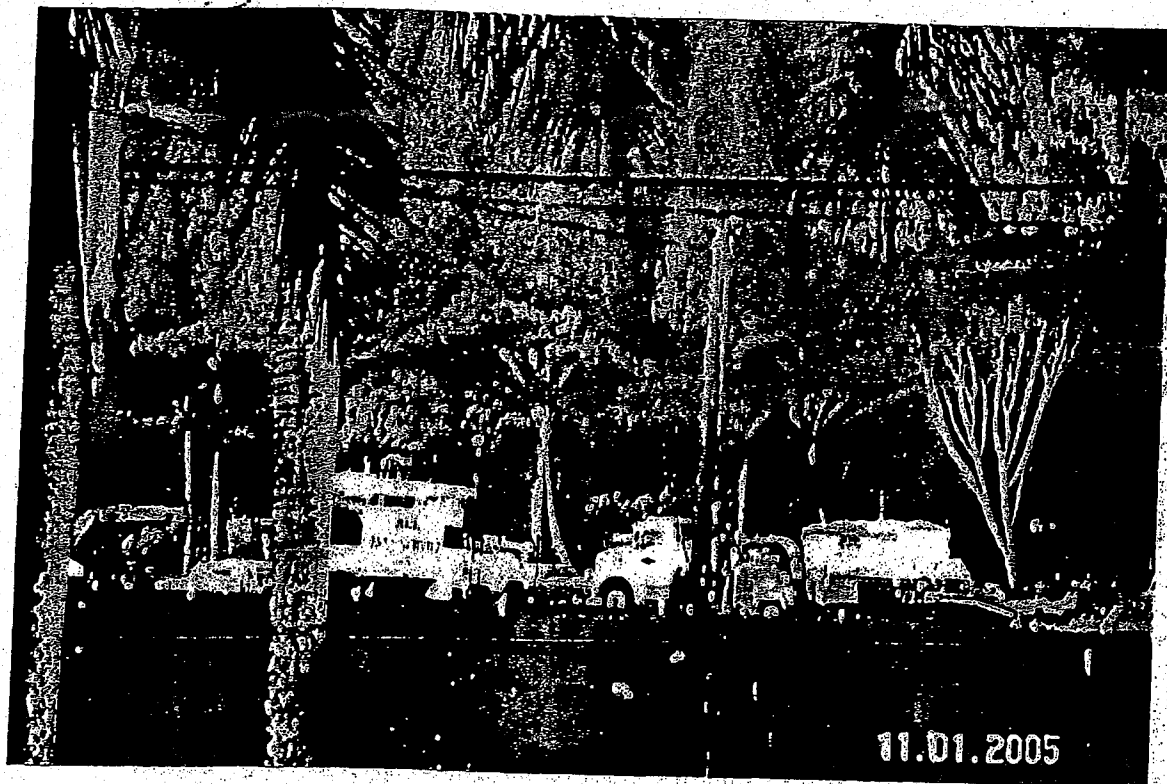
Yours truly,

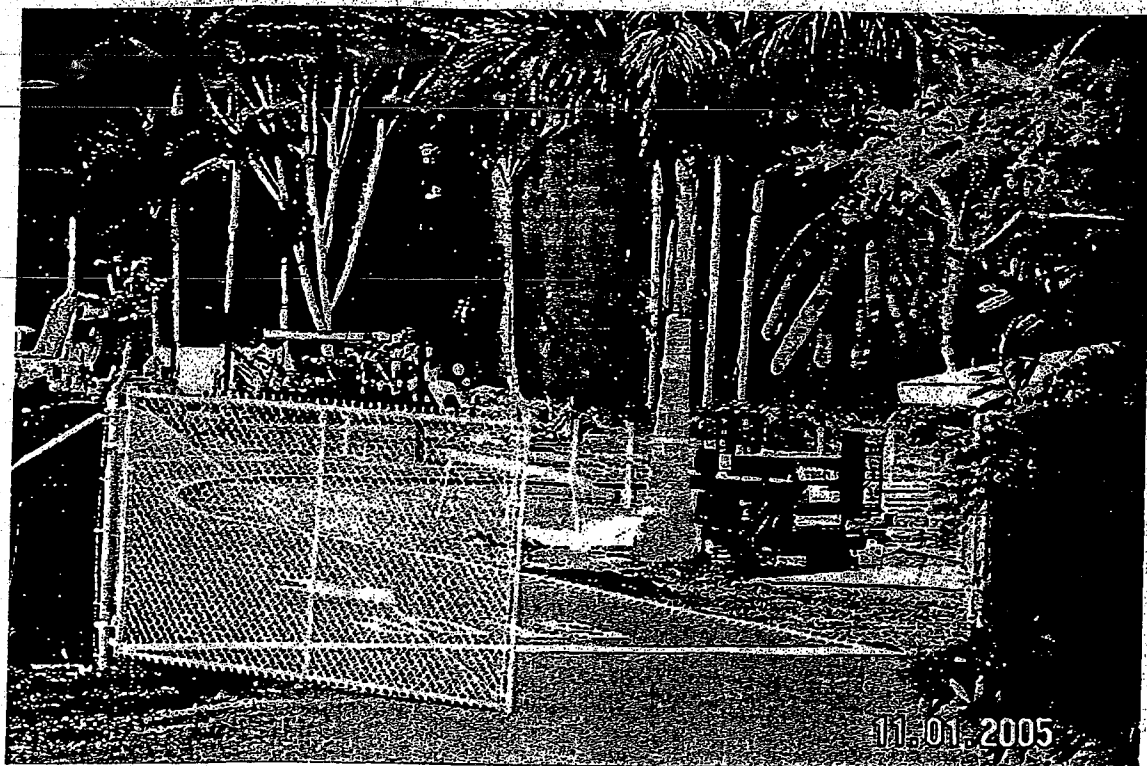


Joseph A. Gomes

enclosures

cc: Quality Turfgrass, Inc.







54409

GLS. 5107

January 17, 2006

Mr. Peter Young  
Chairperson  
Board of Land and Natural Resources  
State of Hawaii  
P.O. Box 621  
Honolulu, HI 96809

RECEIVED

'06 JAN 20 A 8 24

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

Dear Mr. Young:

I am a resident of the Waimanalo farm lots area, and live in the vicinity of the DLNR lease lot occupied by All Tree Services at 41-960 Waikupanaha St.

I am writing to inform you that All Tree has apparently been using this lot as a baseyard for their tree trimming business. I have often observed many large tree trimming trucks and equipment parked on the lot.

I am concerned because this activity is not in keeping with the agricultural nature of the area, and may have caused runoff from truck and equipment parking and cleaning to contaminate the soil and the nearby stream.

Sincerely,



E. Ohta  
41-670 Kumuhau St.  
Waimanalo, HI 96795

DEPT. OF LAND &  
NATURAL RESOURCES  
STATE OF HAWAII

2006 JAN 23 A 10:26

RECEIVED  
LAND DIVISION

#3

EXHIBIT "C"

9155707 54440

RECEIVED

06 JAN 20 A8 23

January 17, 2006

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

Mr. Peter Young  
Chairperson  
Board of Land and Natural Resources  
State of Hawaii  
P.O. Box 621  
Honolulu, HI 96809

Dear Mr. Young:

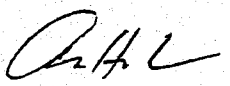
I am a resident of the farm lots area in Waimanalo. I have noticed an increase in the industrial uses of agriculturally zoned property which includes DLNR & DOA land as well as fee simple lots.

One example is a DLNR lot occupied by All Tree Services at 41-960 Waikupanaha St., directly across from Quality Turfgrass. It is apparently being used as a baseyard for a tree trimming business. I have observed many large trucks and tree trimming equipment on the lot.

This use is not in character with zoning of the area, which is designated for intensive agriculture only and may be a violation of an awarded DLNR lease.

The activities of a tree trimming baseyard may also have negative effects on the environment of our neighborhood. I would appreciate it if this matter was investigated and if necessary, curtailed.

Sincerely,



Annette Lee  
41-208 Hihimanu Street  
Waimanalo, Hawaii 96795

RECEIVED  
LAND DIVISION  
2006 JAN 23 A 10:26  
DEPT. OF LAND &  
NATURAL RESOURCES  
STATE OF HAWAII

#4

EXHIBIT "C"



54444

965-5707

January 17, 2006

Mr. Peter Young  
Chairperson  
Board of Land and Natural Resources  
State of Hawaii  
P.O. Box 621  
Honolulu, HI 96809

RECEIVED

06 JAN 20 A8 24

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

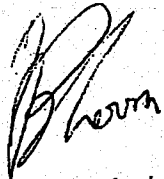
Dear Mr. Young:

I am a resident of the Waimanalo farm lots area, and live in the vicinity of the DLNR lease lot occupied by All Tree Services at 41-960 Waikupanaha St.

I am writing to inform you that All Tree has apparently been using this lot as a baseyard for their tree trimming business. I have often observed many large tree trimming trucks and equipment parked on the lot.

I am concerned because this activity is not in keeping with the agricultural nature of the area, and may have caused runoff from truck and equipment parking and cleaning to contaminate the soil and the nearby stream.

Sincerely,



41-755 Kaulukana St.

Waimanalo, HI 96795

DEPT. OF LAND &  
NATURAL RESOURCES  
STATE OF HAWAII

2006 JAN 23 A 10:26

RECEIVED  
LAND DIVISION

#5

EXHIBIT "C"

5442E

January 17, 2006

Mr. Peter Young  
Chairperson  
Board of Land and Natural Resources  
State of Hawaii  
P.O. Box 621  
Honolulu, HI 96809

RECEIVED

06 JAN 19 A8:04

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII


Dear Mr. Young:

I am a resident of the Waimanalo farm lots area, and live in the vicinity of the DLNR lease lot occupied by All Tree Services at 41-960 Waikupanaha St.

I am writing to inform you that All Tree has apparently been using this lot as a baseyard for their tree trimming business. I have often observed many large tree trimming trucks and equipment parked on the lot.

I am concerned because this activity is not in keeping with the agricultural nature of the area, and may have caused runoff from truck and equipment parking and cleaning to contaminate the soil and the nearby stream.

Sincerely,



DAVID W. THOMPSON  
41-936 KAKAINA ST.  
WAIMANALO, HI 96795

#6

EXHIBIT "C"

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

2006 JAN 20 P 1:46

RECEIVED  
LAND DIVISION

54601

**MCA TROPICALS**  
**41-640 MAHAILUA STREET**  
**WAIMANALO, HAWAII 96795**

CELL#: (808) 479-2479  
E-MAIL: [MATTCHUN@NEXTEL.BLACKBERRY.NET](mailto:MATTCHUN@NEXTEL.BLACKBERRY.NET)

RECEIVED  
LAND DIVISION

2006 FEB -8 2:57  
FEB -8 47 56

DEPT. OF LAND &  
NATURAL RESOURCES  
STATE OF HAWAII

Mr. Peter Young  
Chairperson, Department of Land and Natural Resources  
P.O. Box 621  
Honolulu, Hawaii 96809

Dear Mr. Peter Young,

Subject: Illegal Base Yard on State Leased Agriculture Land

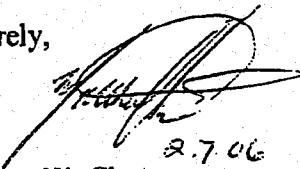
My father, Clyde L.K. Chun had owned and operated 9.5 acres of land in Waimanalo for over 45 years. Since his passing I have taken over the family business and continue to enjoy operating a successful tropical cut flower farm in the Waimanalo countryside.

Recently, All Tree Services Inc. had obtained a parcel of state leased land for the purpose of storing trucks and equipment. The company also cleans their trucks on site, where oil, grease, diesel, paint, and other debris are allowed to pollute the land. All Tree Services is not an agriculture related business, but operates to "engage in the business of tree trimming, cutting, chipping, hauling, cleaning, pruning, shaping, surgery and related business activities". All Tree Services Inc. also has an interest in the hauling of debris from construction yards, and have been seen hauling cement, rebar, and other related materials onto the state leased land. These acts that are occurring on state leased land are a clear violation of the lease and needs to be corrected. I have enclosed a photograph of All Tree Services Inc. parking lot of trucks and equipment. The picture was taken on February 6, 2006 at 6:00pm. There were at least 8 vehicles and a chipper on the lot at the time, but I have seen more on other occasions.

Companies such as All Tree Services not only pollute the environment but also deprive "true" agribusiness from operating successfully. The "short term" gain that All Tree Services Inc. achieves for its own fulfillment, can cause long term damage to the State of Hawaii's environment and economy.

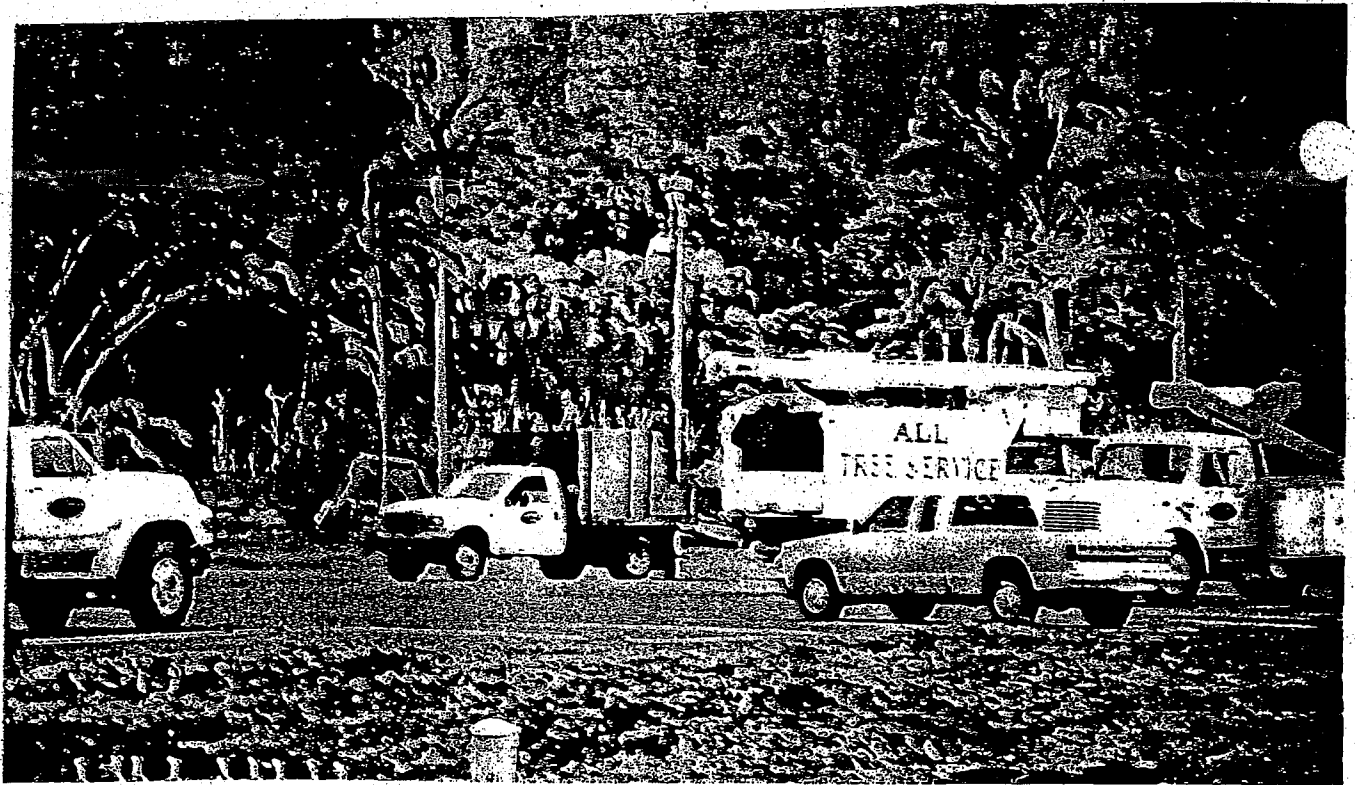
Please look into this problem of a non-agriculture businesses operating on land designated and zoned for agriculture purposes? We must preserve our agriculture lands to ensure that our children are able to enjoy the beauty of the countryside. If we do not act now our country will no longer be country but a landscape of industrial disorder.

Sincerely,

  
2.7.06  
Matthew Kit Chun

#7

EXHIBIT "C"



54710

41-984 Kakaina Place  
Waimanalo, Hawaii 96795  
(808) 259-7451 FAX (808) 259-9318  
Email: [waa@hawaii.gov](mailto:waa@hawaii.gov)  
<http://www.WaimanaloAssoc.com>

RECEIVED

2006 FEB 22 P 3:21

# Waimanalo Agricultural Association

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

DEPT. OF LAND &  
NATURAL RESOURCES  
STATE OF HAWAII

February 17, 2006

Peter Young, Chairperson  
Board of Land and Natural Resources  
State of Hawaii  
P.O. Box 621  
Honolulu, HI 96809

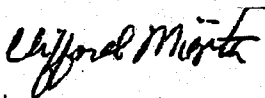
Dear Mr. Young:

The Waimanalo Agricultural Association consists of farmers who take their business very seriously and are genuinely concerned about the abuse of agriculturally zoned lots. We do not take kindly to people acquiring leases from DLNR or DOA under false pretenses to use for industrial purposes.

One example is a DLNR lot occupied by All Tree Services at 41-960 Waikupanaha St., directly across from Quality Turfgrass. It is apparently being used as a baseyard for a tree trimming business. Many large trucks and tree trimming equipment have been observed on the lot and it seems to be a parking lot for this questionable "agriculture" enterprise. This use is not in character with zoning of the area, which is designated for intensive agriculture only and is a violation of an awarded DLNR lease. The activities of a tree trimming baseyard may also have negative effects on the environment of our neighborhood.

We urge the Department of Land & Natural Resources to revoke any lease that is in violation with the terms agreed upon when applying and obtaining the land. Abiding by the terms of a lease ensures that everyone is equally in compliance and will help to keep agricultural lands safe from the rampant misuse of prime agricultural land.

Sincerely,



Clifford Migita  
President, WAA

Dedicated to the preservation and perpetuation of  
agriculture in Hawaii.

# 8  
EXHIBIT "C"

54709

WEB ONE, INC. dba

# THE PLANT PLACE

RECEIVED  
LAND DIVISION

In the shade of the Koolaus

41-1009 KAKAINA STREET/ WAIMANALO, HI 96795/ PHONE: (808) 255-5222 FAX: (808) 355-9292/E-MAIL: theplantplace@hawaii.rr.com

DEPT OF LAND &  
NATURAL RESOURCES  
STATE OF HAWAII

DEPT OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

February 17, 2006

Mr. Peter Young  
Chairperson  
Board of Land and Natural Resources  
State of Hawaii  
P. O. Box 621  
Honolulu, Hawaii 96809

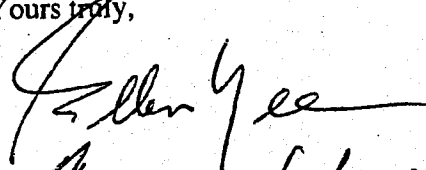
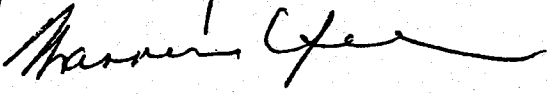
Dear Sir:

We have been residents of Waimanalo since 1961 and lessees of the Department of Land and Natural Resources since 1964. During that time we have seen Waimanalo change from a quiet rural farming community to a much desired location for "gentlemen farmers" and unfortunately, for even light industrial activities.

Agricultural zoned parcels are being used for the storage/parking of trucks of all sizes and uses and other heavy equipment, for masonry companies, tree trimming operations, and other non agricultural uses. Some of these activities occur on DLNR lands. One of those parcels is occupied by All Tree Services which has been more involved in the storage and grinding of debris from their tree trimming business than in farming. Their previous location on Kakaina Street is in very bad condition still filled with massive amounts of large stumps and green trash.

Prime agricultural lands need to be used for legitimate agricultural production.

Yours truly,

# 9

EXHIBIT "C"



RECEIVED  
Hawaii Farm Bureau  
FEDERATION  
LAND DIVISION

2315 Rose Street, Honolulu, HI 96819  
PH: (808) 848-2074; Fax: (808) 848-1921

2006 FEB 22 P 3:26 email: info@hfbf.org

54707  
RECEIVED

06 FEB 21 A8:18

DEPT. OF LAND &  
NATURAL RESOURCES  
STATE OF HAWAII

February 15, 2006

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

Mr. Peter Young  
Chair, Dept. of Land and natural Resources  
P.O. Box 621  
Honolulu, Hawaii 96809

Dear Mr. Young,

My name is Dean Okimoto. I am President of the Hawaii Farm Bureau which represents over 1600 farm families across the Hawaiian Islands. I also own and operate Nalo Farms, Inc. in Waimanalo, employing 24 people on my farm for the past 22 years. Previous to that my father, Charles Okimoto had farmed in Waimanalo since 1953.

Recently, All Tree Services has obtained a parcel of state lease land, zoned for agriculture. This past Sunday, February 12, 2006, I toured the valley with Dept. of Agriculture Chair Sandy Kunimoto, Deputy Director Duane Okamoto, Tom Staton of Quality Turfgrass, and several other prominent farmers from Waimanalo, and we saw 7 trucks and tree trimming equipment stored on the All Tree Service parcel. I have heard that they regularly wash these vehicles and maintain them on the land, possibly polluting the land with oil, gas and grease. They have also been seen hauling debris from construction work onto this property and storing it. I also know that they have stored debris from jobs at a previous site in Waimanalo and have left it for the property owners to clean up. I do know that they submitted a business plan to engage in agricultural activity, yet they continue to use the land for these other illegal activities.

Companies such as these, circumvent the true intent of trying to keep these lands in agricultural production. Even worse they prevent other "true" farmers from having access to these ag lands and truly preserving the integrity of the land and agriculture.

As a farmer, and representing the farm families of the Hawaii Farm Bureau Federation, I strongly object to these types of operations on ag lands and request that your Department look into this matter and do something about putting these types of land into the hands of true farmers and preserve the integrity of these agricultural lands.

I have been involved in the process of selecting qualified bidders for these types of properties, so I am aware of the process, but somehow we must figure out how to select and put real farmers onto these lands. The Waimanalo farmers are truly committed to doing this, and maybe some sort of dialogue with your Dept., to help the Dept., achieve putting true agricultural pursuits on these lands, can be started.

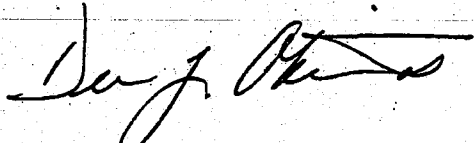
#10

EXHIBIT "C"

Hawaii Farm Bureau Federation  
Letter to Mr. Peter Young, DLNR  
Page 2 - 2/15/06

You may reach me at 259-7698 or my cell at 479-1797, if you have any questions.

With Respect and Sincerity,

A handwritten signature in black ink, appearing to read "Dean J. Okimoto", written over a horizontal line.

Dean J. Okimoto  
President



# PAVEY HOKE & WATSON, LLC

A Limited Liability Law Company

JUDITH ANN PAVEY  
RICHARD L. HOKE, JR.  
KALI WATSON

FLORENCE F. PAJARDO  
Paralegal

February 17, 2006

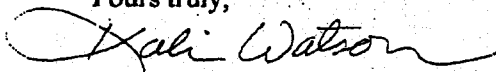
Mr. Russell Tsuji  
Land Division Administrator  
Dept. of Land & Natural Resources  
State of Hawaii  
1151 Punchbowl Street, Room 220  
Honolulu, Hawaii 96809-0621

Re: Rescheduling DLNR Board Agenda Item re All Tree Services, Inc.

Dear Mr. Tsuji,

My client Terry Rodrigues of All Tree Services, Inc. appreciates you extending him the courtesy of rescheduling the Board Agenda Item re All Tree Services, Inc. from February 24 to March 10, 2006. As explained to you, he and his family will be on the mainland from February 23 to 27 on a previously planned family vacation. Because of the seriousness of what is before the DLNR Board re the cancellation of his lease, he wanted to be present. Obviously, because of the potential forfeiture of his entire financial investment in the Waimanalo property, it would only be fair to allow him the opportunity to be personally present to address the Board. He will definitely be there at the March 10 meeting. He looks forward to answering the claims in the Notice of Default dated November 17, 2005.

Yours truly,



Kali Watson

**EXHIBIT "D"**

# PAVEY HOKE & WATSON, LLC

A Limited Liability Law Company

JUDITH ANN PAVEY  
RICHARD L. HOKE, JR.  
KALI WATSON

FLORENCE F. PAJARDO  
Paralegal

January 23, 2006

Mr. Steve Molmen  
State of Hawaii  
DLNR  
Kalanimoku Building  
1151 Punchbowl Street, Room 220  
Honolulu, Hawaii 96809-0621

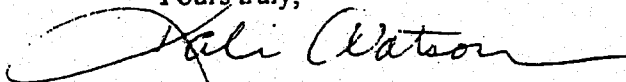
Subject: General Lease No. S-5707, All Tree Services, Inc.,  
Notice of Default

Dear Mr. Molmen,

This letter is to address the issues raised in DLNR's Notice of Default dated November 17, 2005 to All Tree Services, Inc. As we discussed at our meeting on January 5 at your conference room, the said leased area is not being used as a baseyard. Any and all equipment presently on site are needed for my client's nursery. The back parking lot and warehouse originally on his construction plans have been eliminated. There is a single office, not two separate offices. While still in the setup process, a significant area has already been cleared and planted with various trees and plants. We provided you with photographs showing all this work. I believe that you and Mr. Lau have also visited the site to verify this. If you would like an additional tour of the site, please let me know.

As to the City & County Enforcement Branch headed by Mr. Russell Kaneshiro verbal description of the site being used as a baseyard, we have discussed the matter with them and feel it has been resolved. Mr. Kaneshiro's inspector David Kalai visited the site and was given a tour along with an explanation of the nursery plans which established that intensive agriculture was being done on the site. I've also had several discussions with Mr. Kaneshiro and believe that he will be contacting your office to verify his finding that there is no baseyard presently being operated at this site. If you should need further evidence or would like to discuss the matter further, please let me know. If the matter is being set for a contested case hearing or being referred to the Attorney General's Office, please advise me of such.

Yours truly,



Kali Watson

EXHIBIT "D" 75

**PAVEY HOKE & WATSON, LLC**

A Limited Liability Law Company

JUDITH ANN PAVEY  
RICHARD L. HOKE, JR.  
KALI WATSON

FLORENCE F. PAJARDO  
Paralegal

January 24, 2006

Mr. Steve Molmen  
State of Hawaii  
DLNR  
Kalanimoku Building  
1151 Punchbowl Street, Room 220  
Honolulu, Hawaii 96809-0621

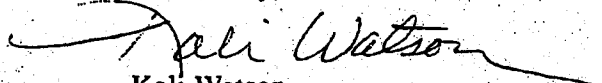
Subject: General Lease No. S-5707, All Tree Services, Inc.,  
Notice of Default

Dear Mr. Molmen,

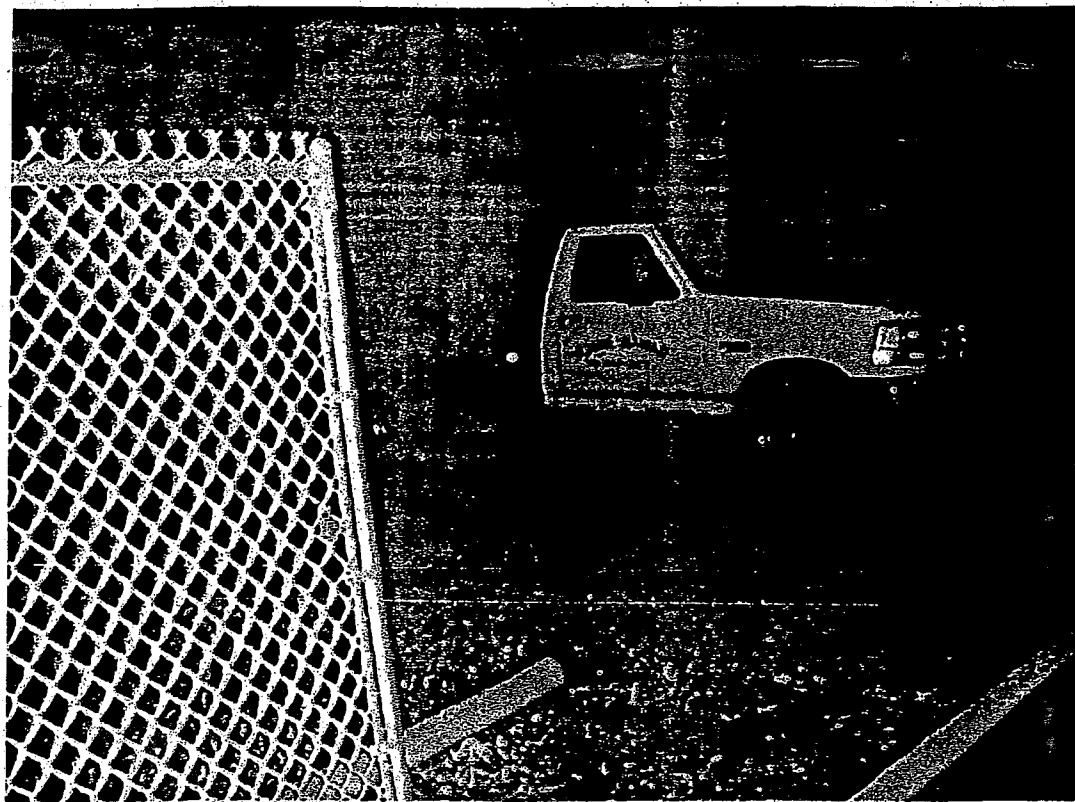
Per your request, this letter is to confirm that All-Roll Off Services and All Tree Services tree trimming businesses have equipment, which are not kept or stored at the Waimanalo property in violation of the terms or conditions under General Lease No. S-5707. The property is not being used as a base yard for these outside businesses. Mr. Rodrigues has a base yard on private property where he stores said equipment. Some of his workers that have CDL or commercial drivers licenses each take their trucks home, which is allowed under the law. Additional equipment is also kept on the various job sites.

The DLNR property is used exclusively for intensive agriculture, in particular, as a nursery. Mr. Rodrigues does have some equipment on site, but this is used for the nursery business. He has a chipper, a crane truck and several little trucks, which he uses in his nursery business. If you would like to discuss the matter further, please let me know.

Yours truly,

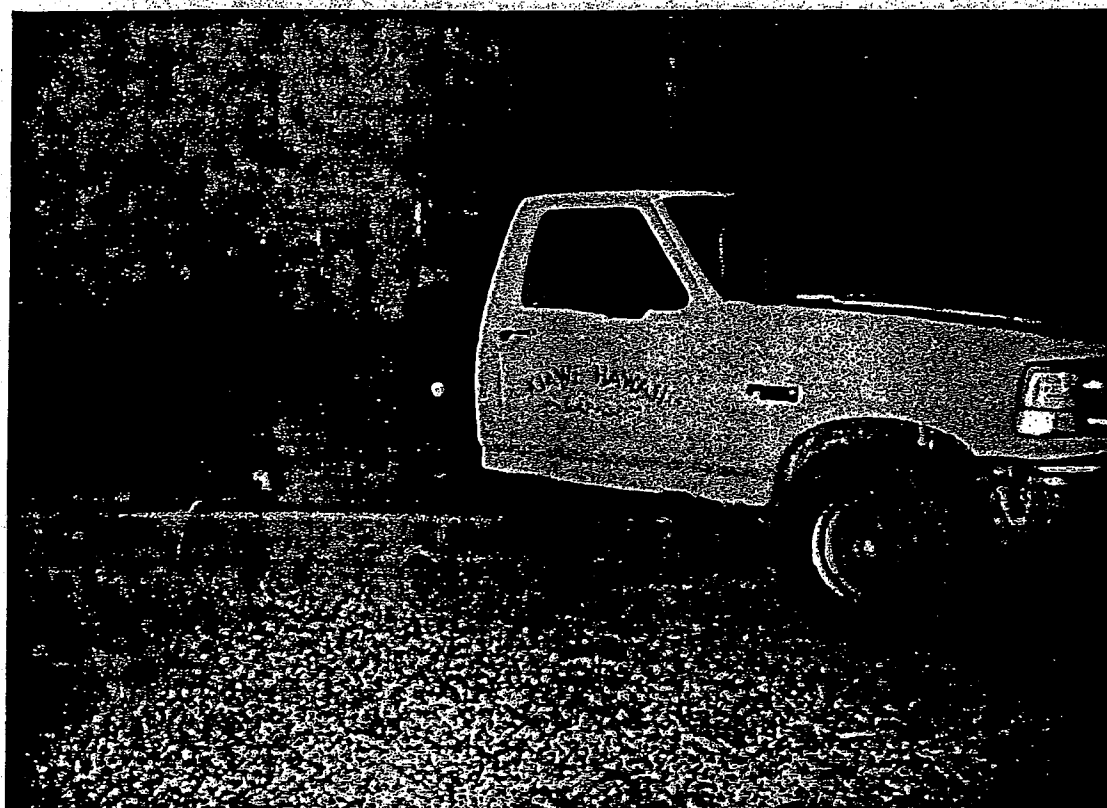
  
Kali Watson

**EXHIBIT "D"**



*Kiawe Hawaiian Truck*

*2/13/06*



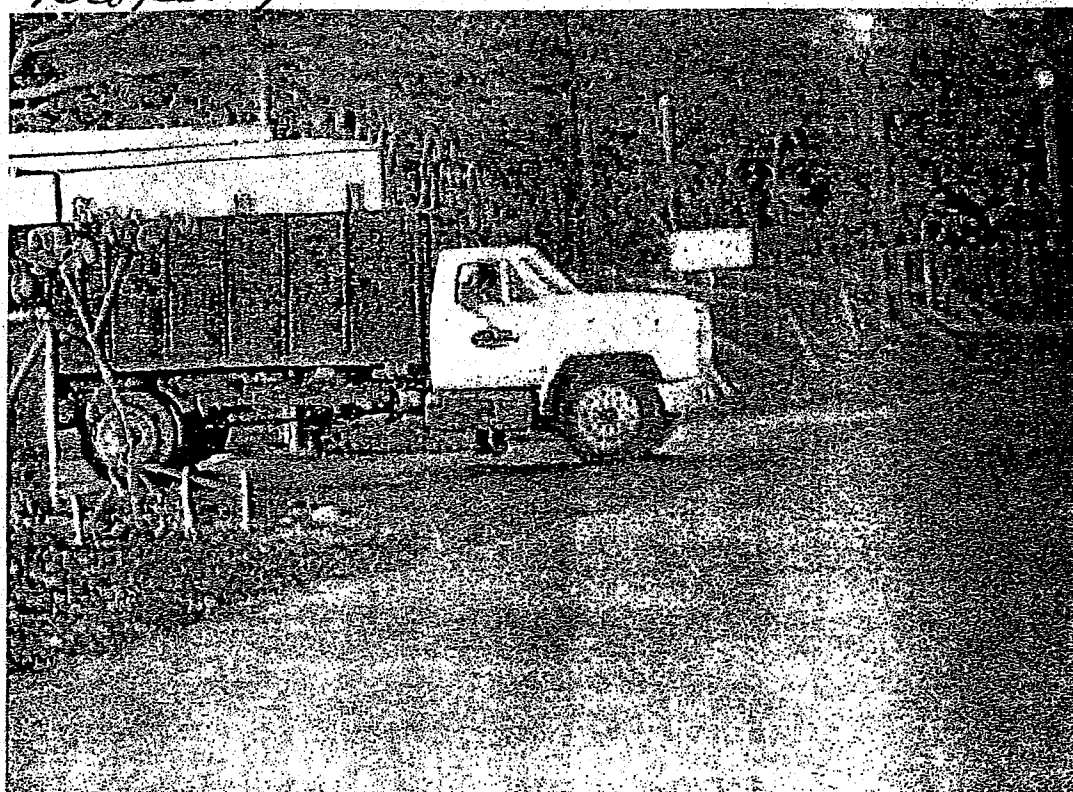
*2/13/06*

EXHIBIT "E"



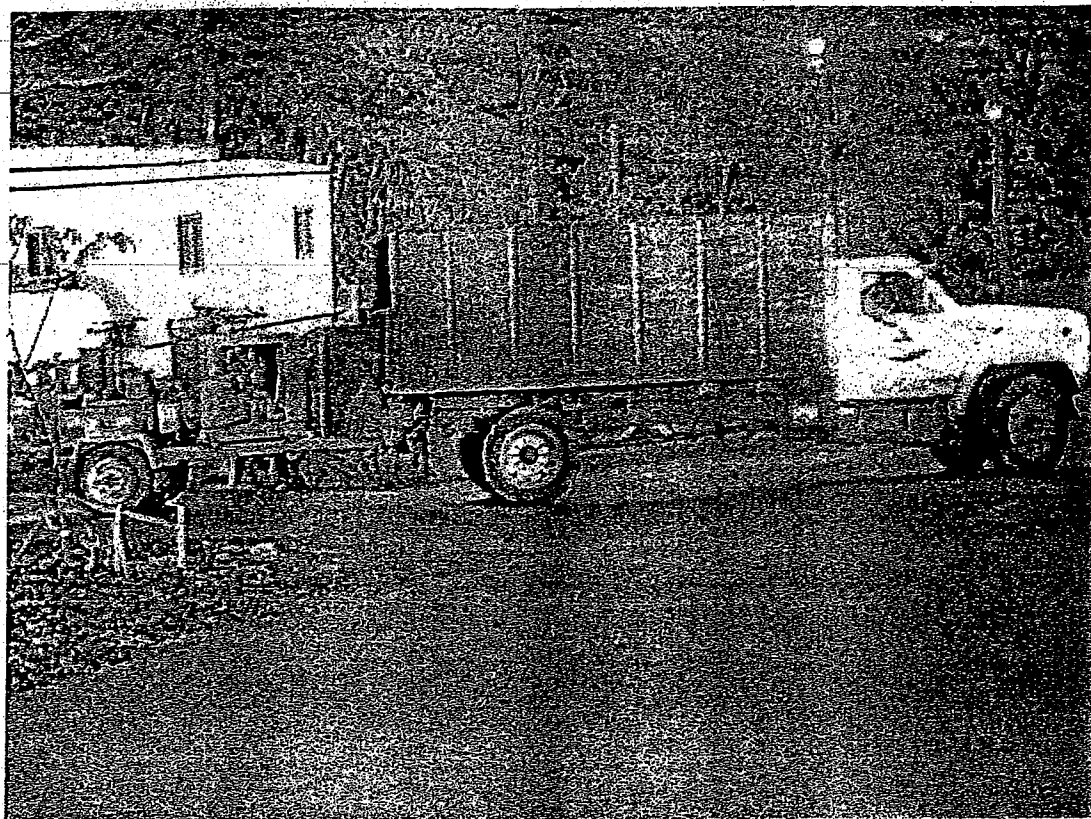
All Tree Service Truck Leaving  
Property

8/3/06  
7:20 AM



All Tree Service Truck  
Leaving Property @ 7:20 AM

8/3/06



*All Tree Service Truck Leaving 2/3/06*

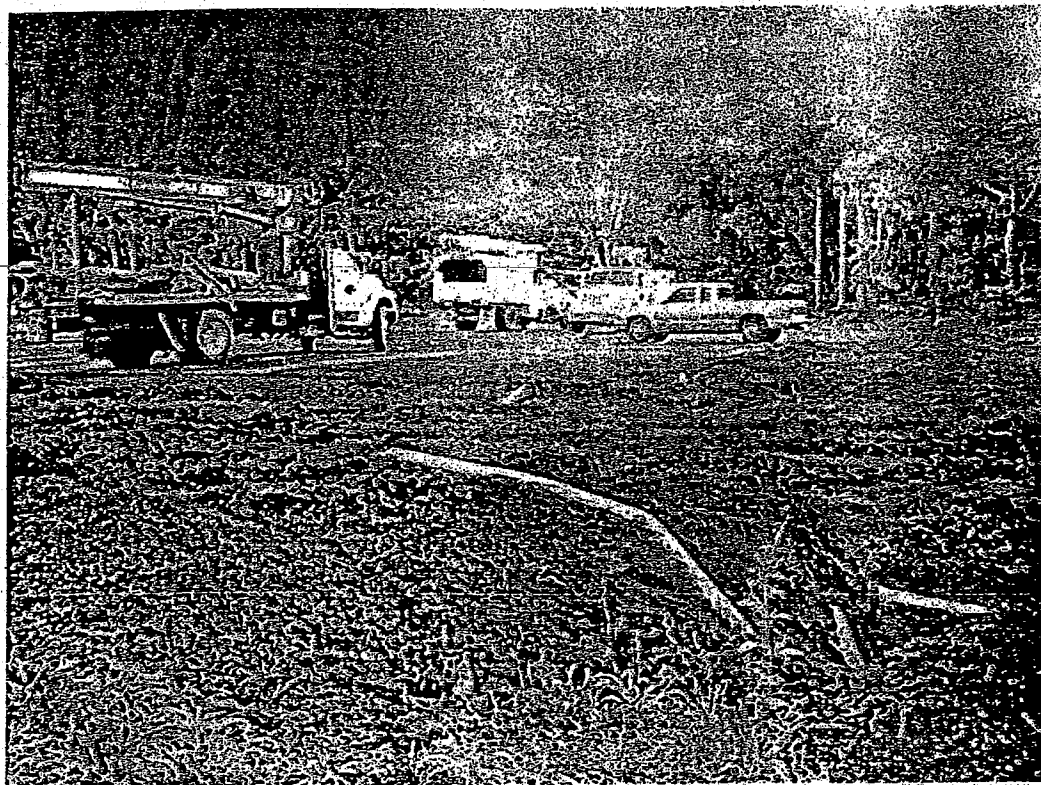


*Vehicles parked on property 2/3/06*

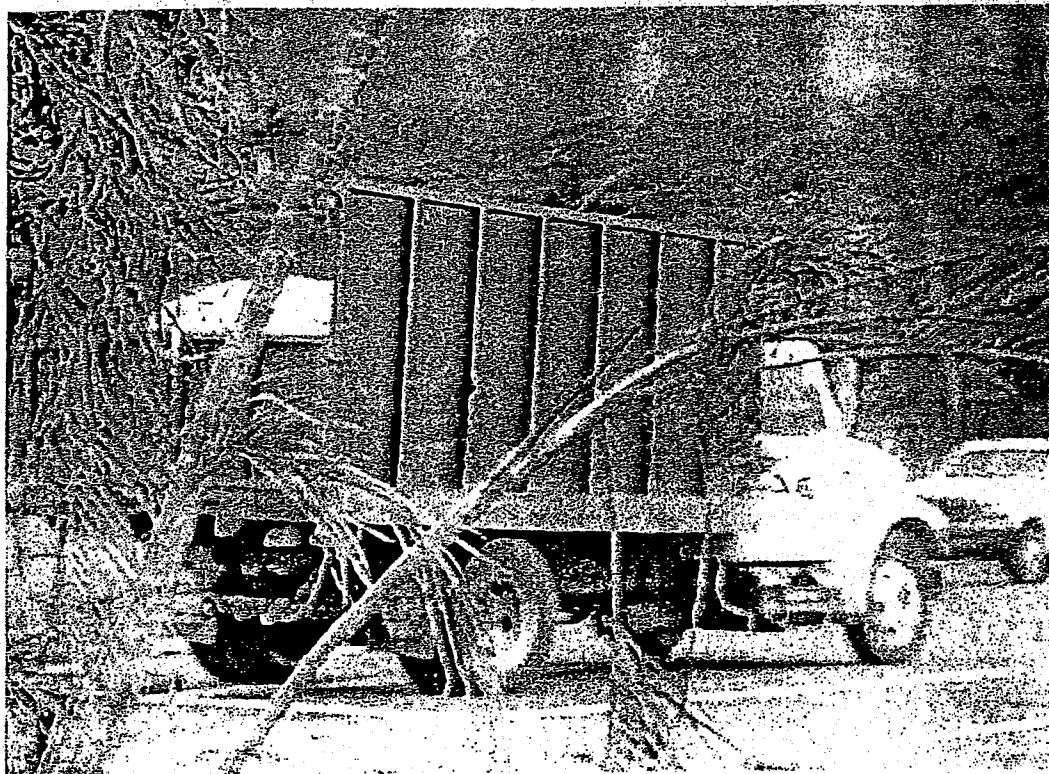




2/3/06  
7:20 AM



2/6/06  
5:15 p.m.



2/6/06  
6:10 p.m.  
EXHIBIT "F"

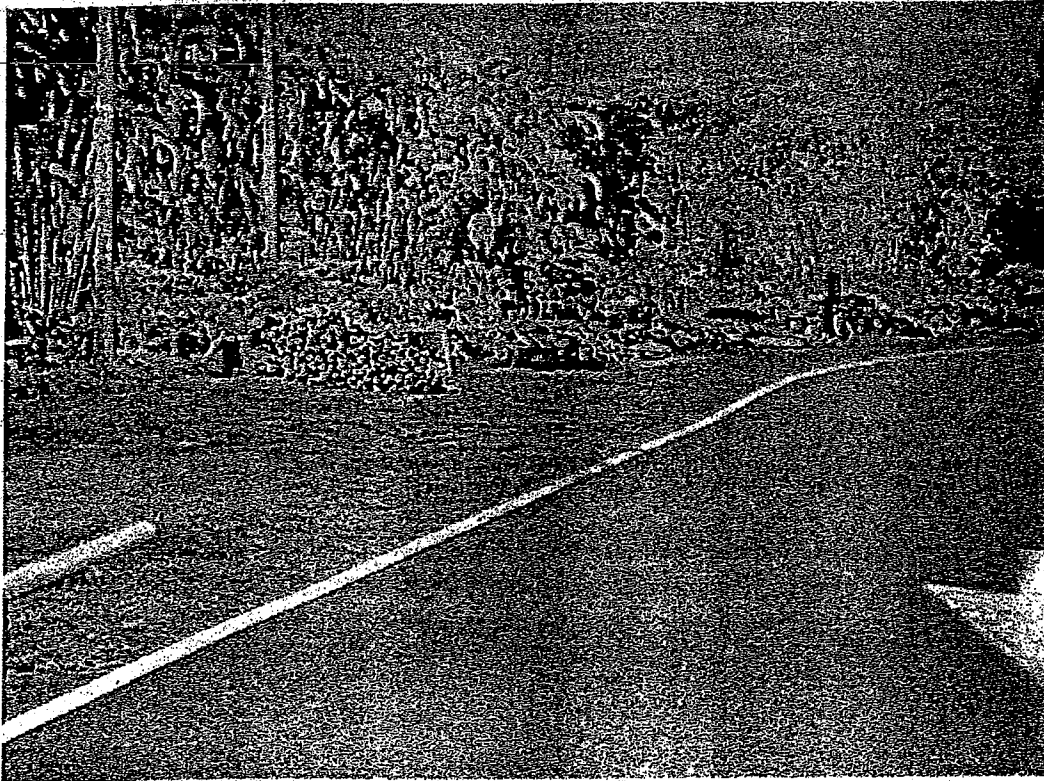




2/6/06  
6:10 p.m.



2/6/06  
5:15 p.m.



Stacks of Chopped Kiawe wood 2/6/06  
on property.



Wood cutter along side of 2/6/06  
chopped Kiawe wood on  
property.



*ALL Tree Service Truck*

*2/6/06*

*5:20 p.m.*

LINDA LINGLE  
GOVERNOR



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
P.O. Box 621  
HONOLULU, HAWAII 96809

PETER T. YOUNG  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA  
DEPUTY DIRECTOR

DEAN NAKANO  
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

March 20, 2006

Ref.:OD

Certified Mail: 7003 0500 0003 2596 1537

All Tree Services, Inc.  
P.O. Box 36  
Waimanalo, Hawaii 96795

Dear Lessee:

NOTICE OF DEFAULT

Pursuant to the authority granted me by the Board of Land and Natural Resources at its meeting of January 11, 1980, and the breach provision contained in General Lease S-5707, you are hereby served a Notice of Default on said lease for failure to do the following:

- X   Keep lease rental payments current
- Post required Performance Bond
- Post required Fire Insurance Policy
- Post required Liability Insurance Policy
- 
- 

Our Fiscal Office informs us that you are in arrears in lease rental payments in the amount of \$ 7,500.00 covering the period March 1, 2006 to August 31, 2006, 2007.

You are hereby given thirty (30) days from the date of receipt of this letter to cure the above-described breach.

Your failure to act on the above matter will result in the following:

**EXHIBIT " C "**

1. Cancellation of General Lease S-5707.
2. Retention of all sums heretofore paid under General Lease S-5707 as liquidated damages.
3. Termination of all your rights and obligations under General Lease No. S-5707.
4. Initiation of legal action to collect the delinquent lease rental owing the State of Hawaii under General Lease S-5707.
5. Forfeiture of your lease performance bond.

We therefore urge your fullest cooperation. Should you have any questions, please contact our Oahu District Land Branch at (808) 587-0433.

Very truly yours,



Peter T. Young  
Chairperson

cc: Land Board Member  
Central Office  
Fiscal Office  
Island Insurance Co., Ltd.  
*District Office*

7003 0500 0003 2596 1537

**U.S. Postal Service™**  
**CERTIFIED MAIL™ RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

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Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$4.64

Postmark  
Here

Sent To	All Tree Services, Inc.	
Street, Apt. No., or PO Box No.	P.O. Box 36	
City, State, ZIP+4	Waimanalo, HI	895696795

PS Form 3800, June 2002

See Reverse for Instructions

LINDA LINGLE  
GOVERNOR OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

PETER T. YOUNG  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA  
DEPUTY DIRECTOR

DEAN NAKANO  
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

March 31, 2006

Certified Mail

7001 2510 0002 9389 6636

All Tree Services, Inc.  
P.O. Box 36  
Waimanalo, Hawaii 96795

Dear Lessee:

NOTICE OF DEFAULT

Pursuant to the authority granted me by the Board of Land and Natural Resources at its meeting of January 11, 1980, and the breach provision contained in General Lease S-5707 you are hereby served a Notice of Default on said lease for failure to do the following:

- ☐ Keep lease rental payments current
- ☒ Post required Performance Bond (\$30,000). The current bond policy expired on March 4, 2006.
- ☐ Post required Fire Insurance Policy
- ☐ Post required Liability Insurance Policy

You are hereby given sixty (60) days from the date of receipt of this letter to cure the above-described breach.

Your failure to act on the above matter will result in the following:

EXHIBIT "D"



1. Cancellation of General Lease S-5707.
2. Retention of all sums heretofore paid under General Lease S-5707 as liquidated damages.
3. Termination of all your rights and obligations under General Lease No. S-5707.

We therefore urge your fullest cooperation. Should you have any questions, please contact our Oahu District Land Branch at (808) 587-0433.

Very truly yours,



Peter T. Young  
Chairperson

c: Land Board Member  
Central Office  
Fiscal Office  
Bond Holder



54696



HOUSE OF REPRESENTATIVES

2006 FEB 21 A 10:41  
STATE OF HAWAII  
STATE CAPITOL  
HONOLULU, HAWAII 96813  
DEPT. OF LAND &  
NATURAL RESOURCES  
STATE OF HAWAII

RECEIVED

06 FEB 17 A 8:02

DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

February 15, 2006

Peter Young, Chairperson  
Board of Land and Natural Resources  
P.O. Box 621  
Honolulu, HI 96809

RE: Alleged non-agricultural use of state land zoned for agriculture by All Trees Services

Dear Chairman Young:

I am writing in support of constituents who live and work in the agricultural area of Waimanalo known as the Farm Lots. These constituents are particularly concerned about non-agricultural use of agricultural land. I know that we can depend on the Board of Land and Natural Resources to ensure that parcels zoned agricultural are used appropriately.

Thank you again for all the hard work that you and your department do for the people of Hawaii.

Aloha,

Tommy Waters, 51<sup>st</sup> District  
State Representative

EXHIBIT "E"

**EXHIBIT " B "**

**MCA TROPICALS**  
**41-640 MAHAILUA STREET**  
**WAIMANALO, HAWAII 96795**  
PHONE NO. (808) 479-2479  
MATTCHUN@NEXTEL.BLACKBERRY.NET


April 27, 2006

To Whom It May Concern:

On April 26, 2006 I called Keawe Hawaii (ph.# 259-7226) at 4:00pm. The person (Ronnie) on the other end answered the phone "All Tree Services" can I help you. I then asked to purchase keawe wood chips and how much it cost? Ronnie said it would cost \$35 per bag approximately 60lbs. I told her I would get back with her regarding the order.

I called back to place an order of 3 bags. I then asked her where I could pick it up. She then said at the corner of Kumuhau and Waikupunaha.

On April 27, 2006, I had a friend, Mike Phakeovilay, pick up one bag of keawe wood from All Tree Farms across from Quality Turf Grass. He was given a receipt for the purchase (see attachment).

  
Matthew Chun

**EXHIBIT "B"**

Fax 259-7442

Date	Sale No.
4/27/2006	W/O

Sold To
MIKE PHAKEOVILAY

Check No.	Payment Method	Project

Description	Qty	Rate	Amount
1/3 CORD KIAWE		35.00	35.00
		<b>Subtotal</b>	\$35.00
		<b>Sales Tax (4.166%)</b>	\$1.46
		<b>Total</b>	\$36.46

April 27, 2006

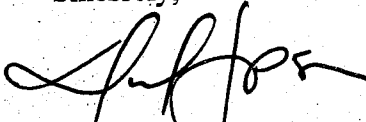
Re: All Tree Services, Kiawe Wood Hawaii

To whom it may concern:

I telephoned Kiawe Wood Hawaii on April 27, 2006 at 259-7226 regarding the purchase of Kiawe wood for an imu. They answered "All Tree Services". I spoke to Lani Lewis and received a quotation. They were expecting more stock in a few days and would call me at that time.

I inquired where I could pick it up and she gave me directions to 41-960 Waikupanaha St. in Waimanalo.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Thompson', written over the printed name.

David Thompson  
Waimanalo, Hawaii

EXHIBIT "C"

**INSPECTION REPORT**  
Intensive Ag/Special Livestock/Pasture/Commercial Timber

**General Information**

Document Number: GLS 5707 or RPS \_\_\_\_\_

Inspection Date: 5/3/06 Inspection Time: 2:00 pm

Character of Use Intensive Agriculture

Land Agent: Barry Cheung, Steve Lau

**TENANT INFORMATION**

Name: All Tree Services, Inc.

Address: \_\_\_\_\_

Contact Person: Terry Rodriguez

Home Phone: \_\_\_\_\_

Business Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Contact Phone: 259-7226

**SITE INFORMATION**

TMK: (1) 4-1-10:48

Area: 5.256 Ac.

Site Address: 41-960 Waikupanaha St  
Waimanalo

**FISCAL INFORMATION**

ITEM	NOT APPLICABLE	CURRENT = COMPLIANCE	DEFAULT = NON-COMPLIANCE
Rent		✓	
Liability Insurance		✓	
Fire Insurance	✓		
Bond		✓	
Mortgage	✓		

**ANNUAL INSPECTION REPORT**  
Intensive Ag/Special Livestock/Pasture/Commercial Timber

**File Review**

**LICENSES/PERMITS/CONSENTS**

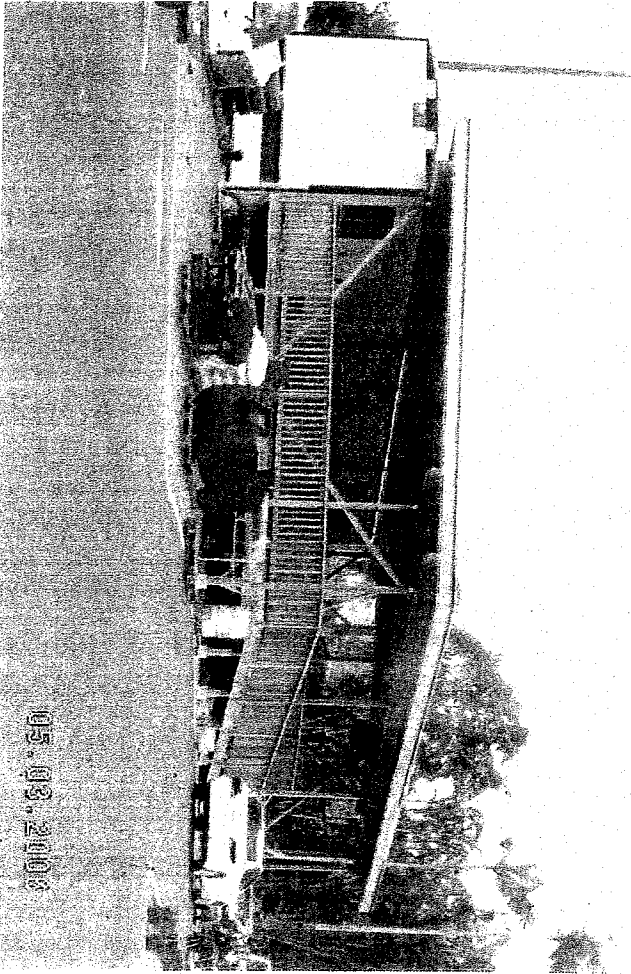
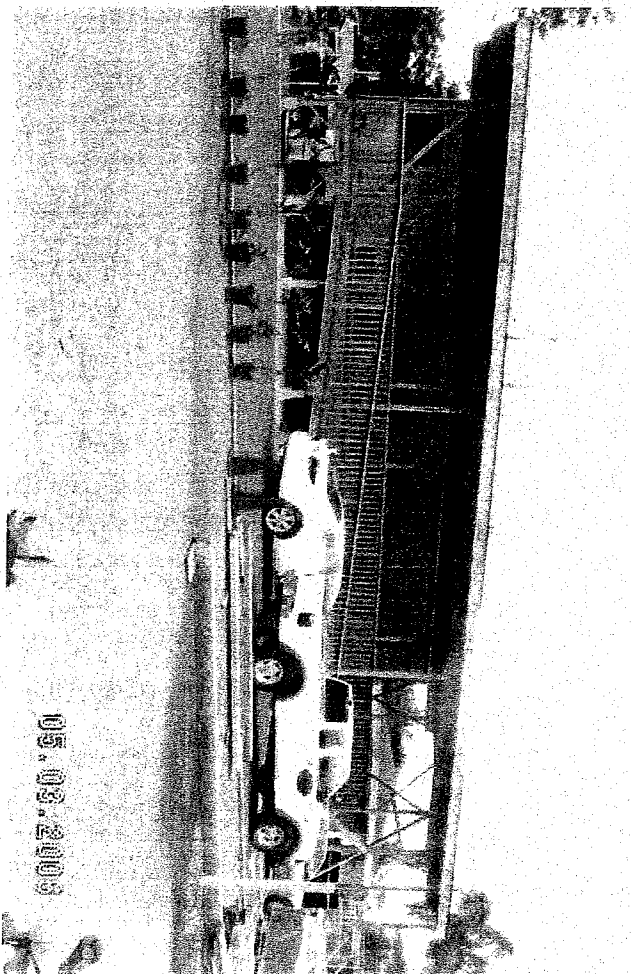
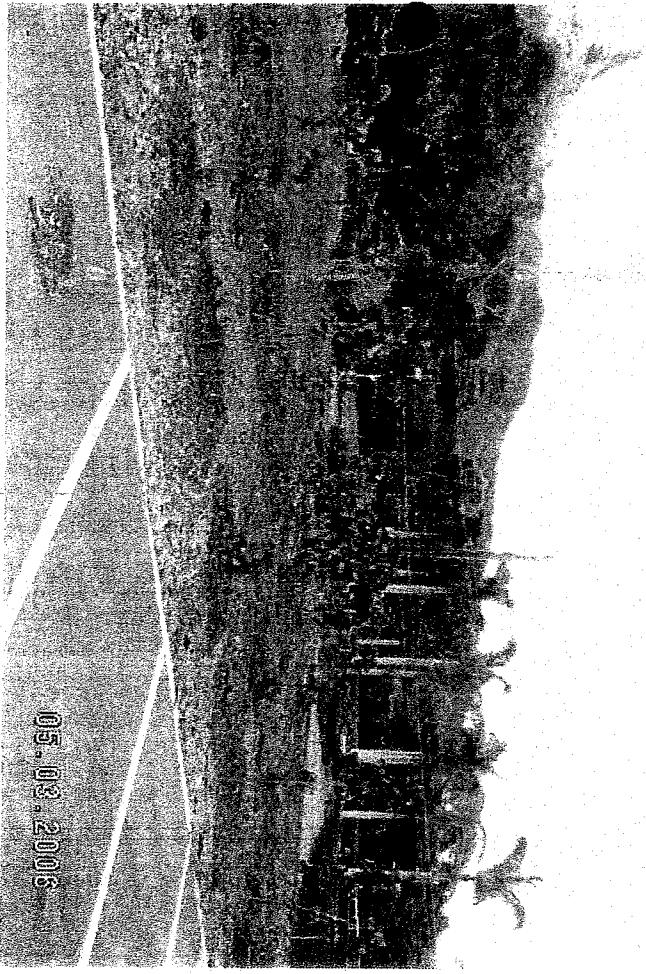
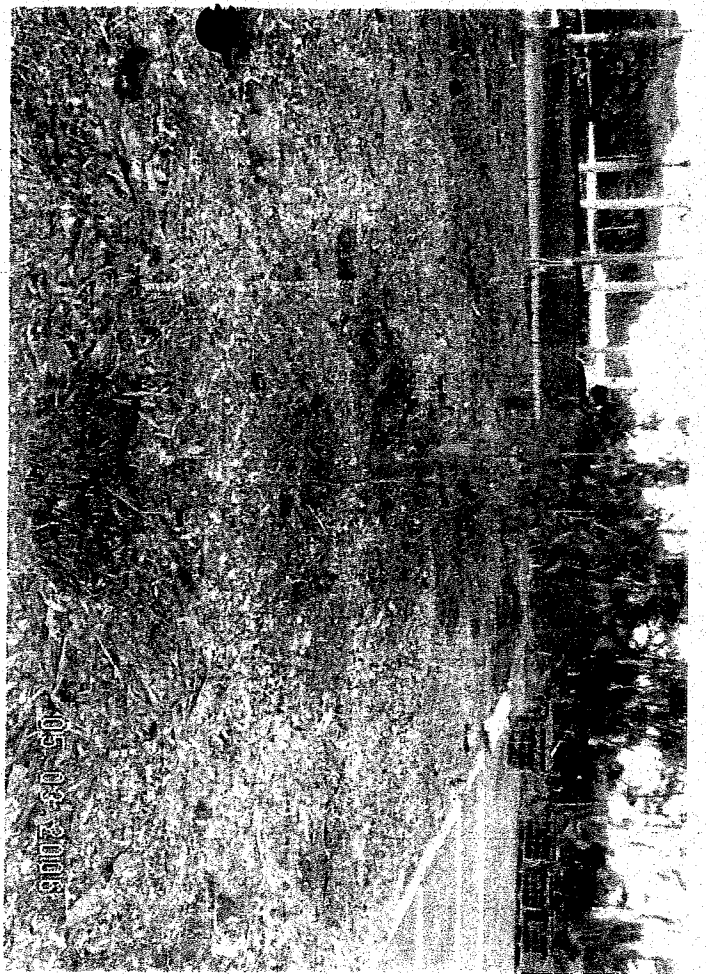
ITEM	DLNR Approval Docs in File			COMMENTS/NOTES/LISTS
	N/A	YES	NO	
Removal of Minerals/Waters				
Prehistoric/Historic Remains				
Cutting/Removal of Trees				
Hazardous Material Storage/Use				
Subletting				attach list or map if applicable
Improvement Construction Buildings				note deadlines for % completion
Improvement Construction Other structures				note deadlines for % completion
Conservation Plan				review plan and schedule; make copy of plan map and text table for use during inspection

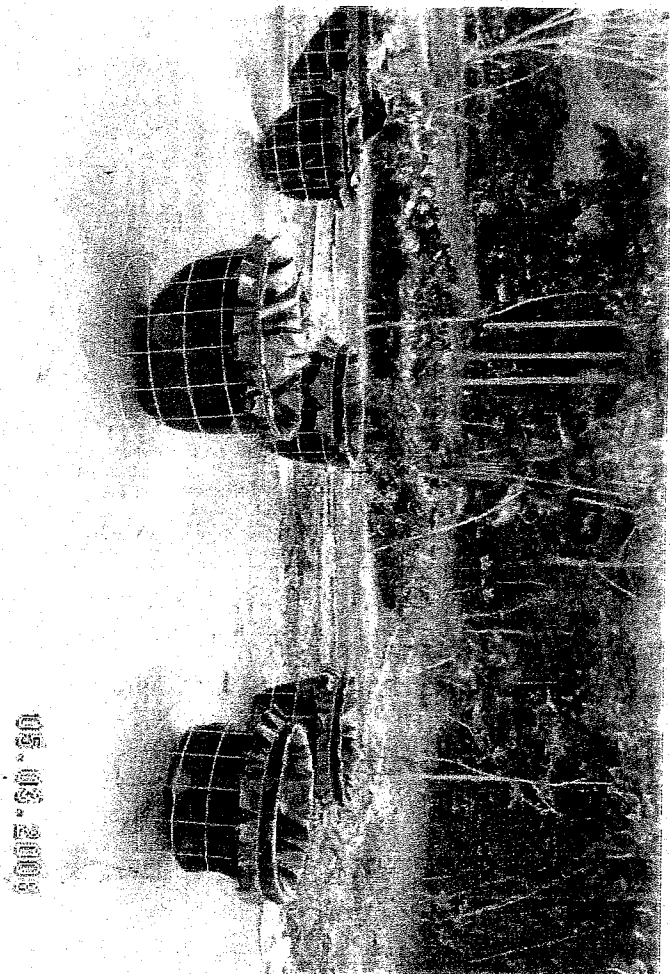
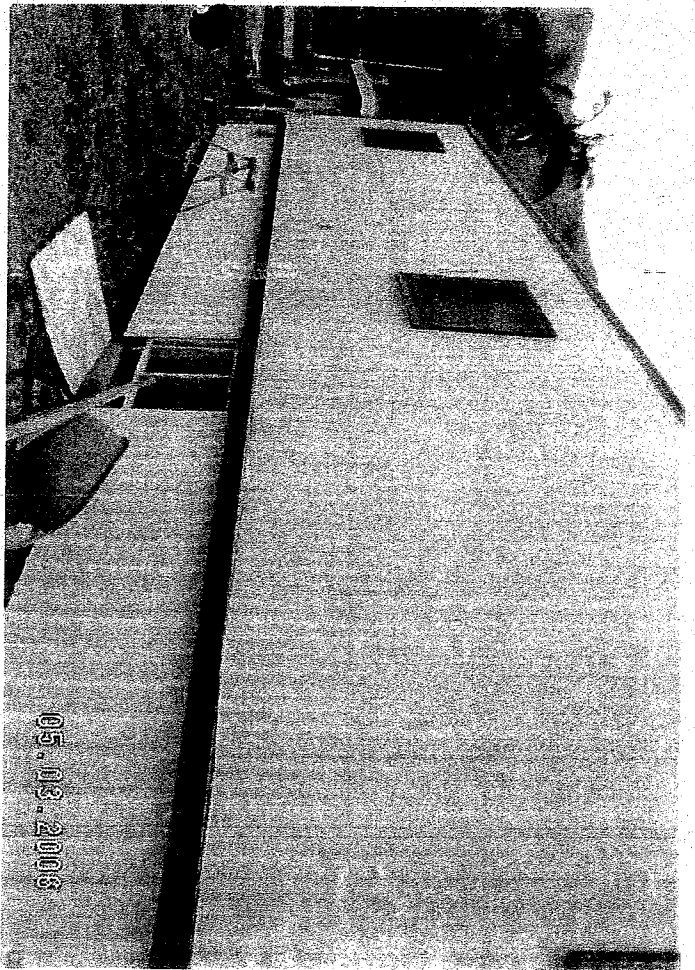
**Field Inspection**

ITEM	CRITERIA FOR COMPLIANCE	MEETS COMPLIANCE			COMMENTS/NOTES
		N/A	YES	NO	
Subletting	consents approved use adheres to lease purpose	✓			
Buildings/ Residences: roof, paint, exterior, interior	clean, sanitary, orderly suitable & well maintained DLNR construction consent adheres to completion schedule *check for hazardous materials			✓	prior improvements need to be maintained by current tenant <i>NOD issued for unauthorized structures (offroad, wood deck)</i>
Structures: roads, walkways, fence lines, pipelines, others	cross check w/ conservation plan clean, sanitary, orderly well maintained adheres to completion schedule *check for hazardous materials	✓			prior improvements need to be maintained by current tenant
Conservation Plan: conservation structures and plantings	adheres to plan map & schedule well maintained			✓	refer to SWCD if plan application & maintenance not in compliance. <i>Pending resolving all violations on the property</i>

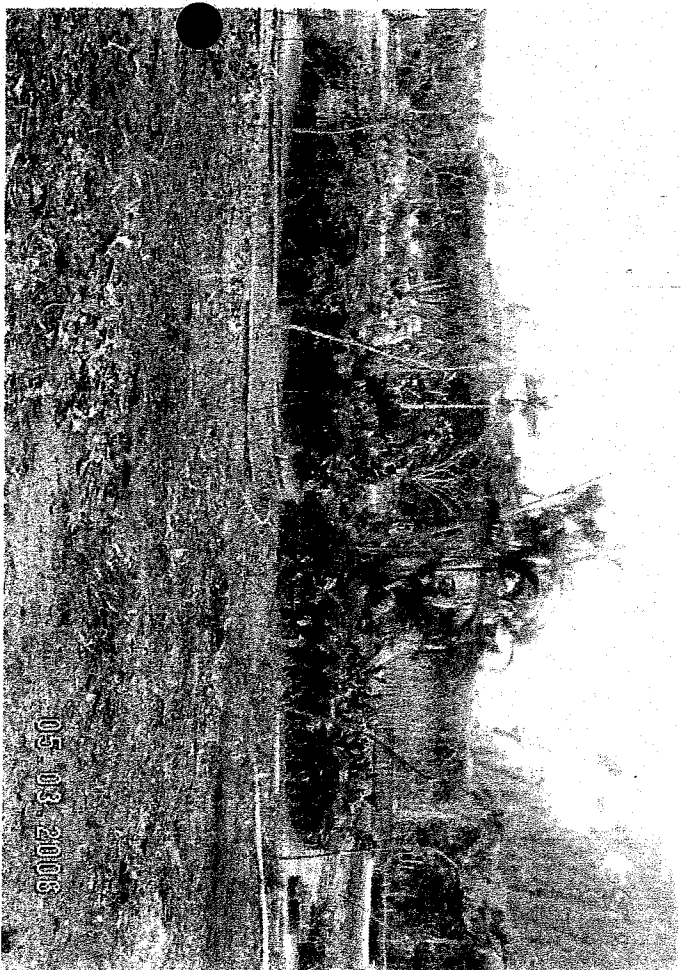


ITEM	CRITERIA FOR COMPLIANCE	MEETS COMPLIANCE			COMMENTS/NOTES
		N/A	YES	NO	
Premises	clean, sanitary, orderly		✓		
Hazardous Material Storage/ Use	controlled and adheres to consent	✓			
Character of Use	adheres to lease purpose		✓		
Other	Remove tree trunks, leave woods from the property.		✓		Staff saw employees remove tree trunk & leave woods from the property.



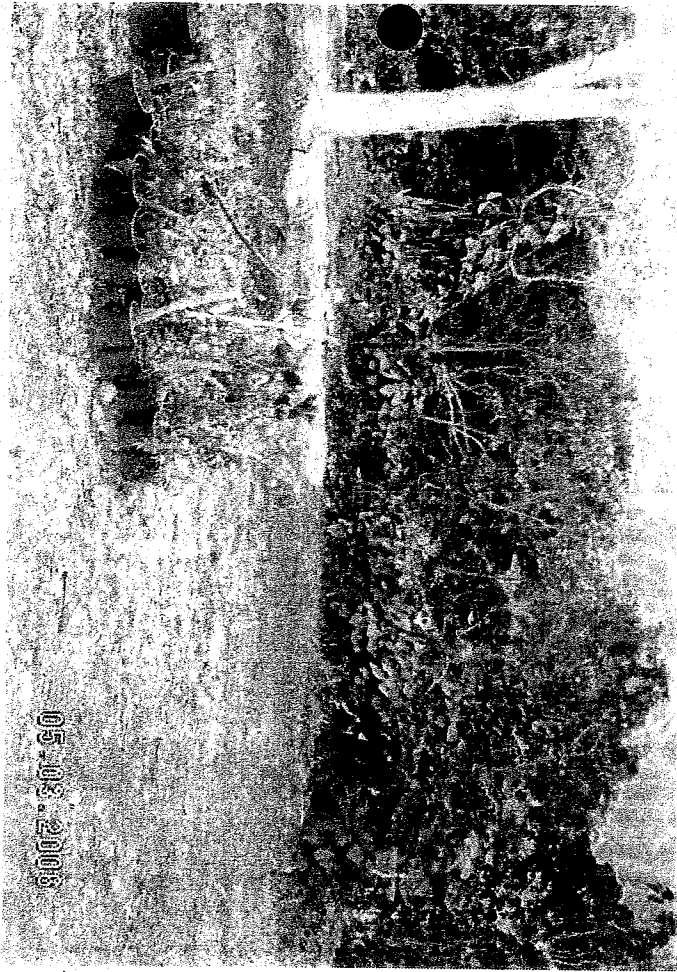








05.03.2006



05.03.2006

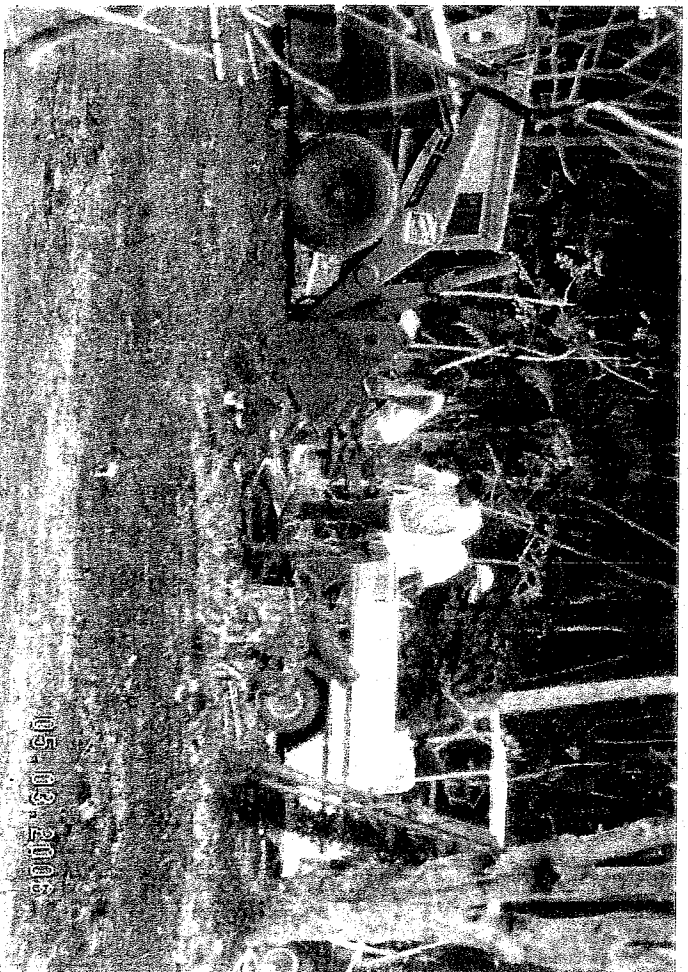
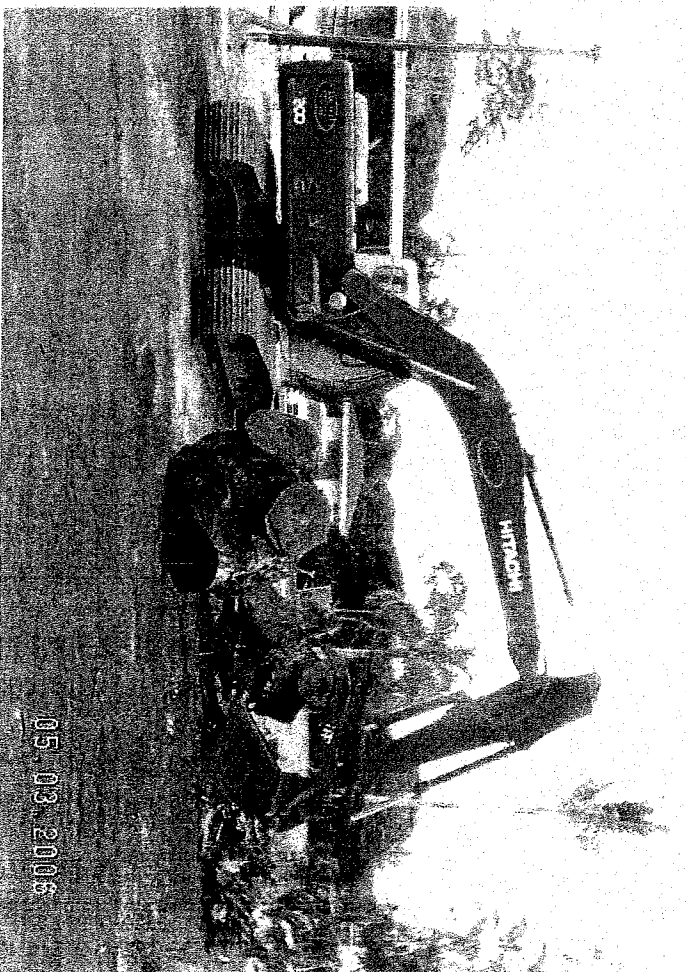
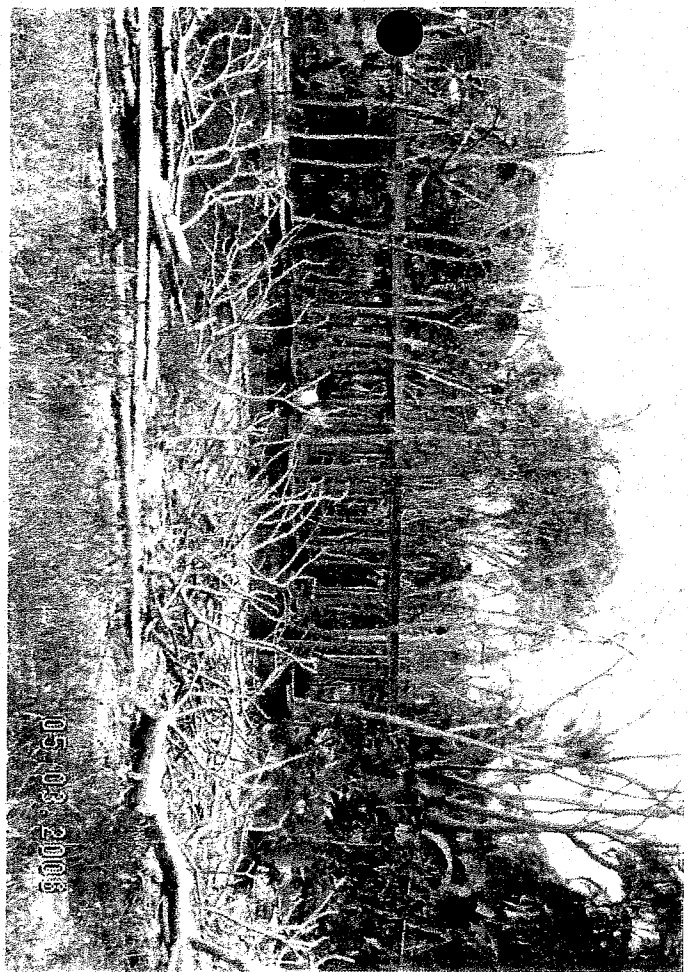


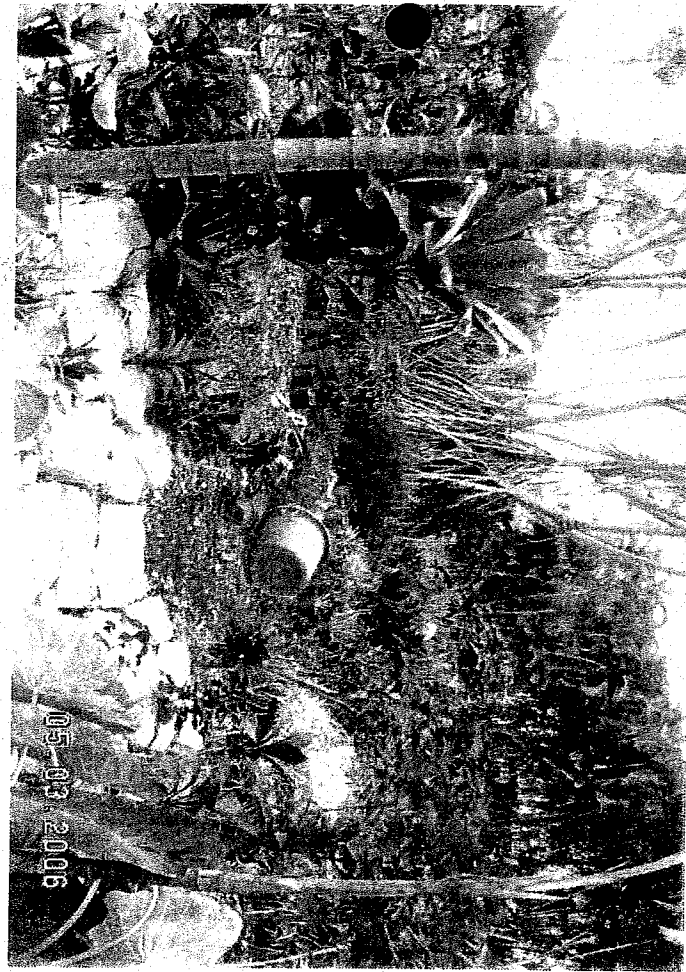
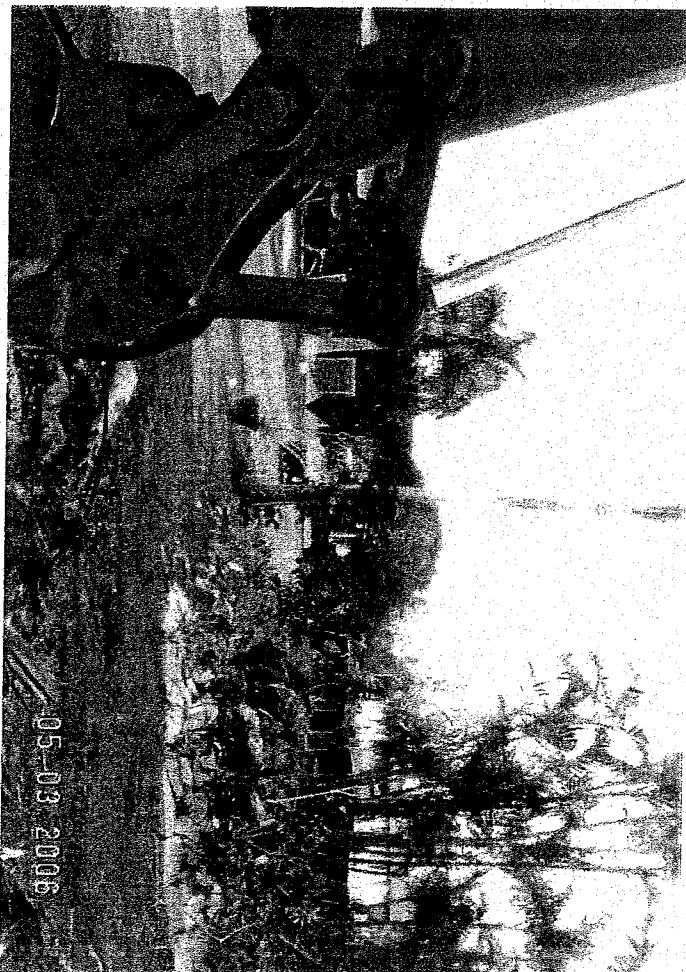
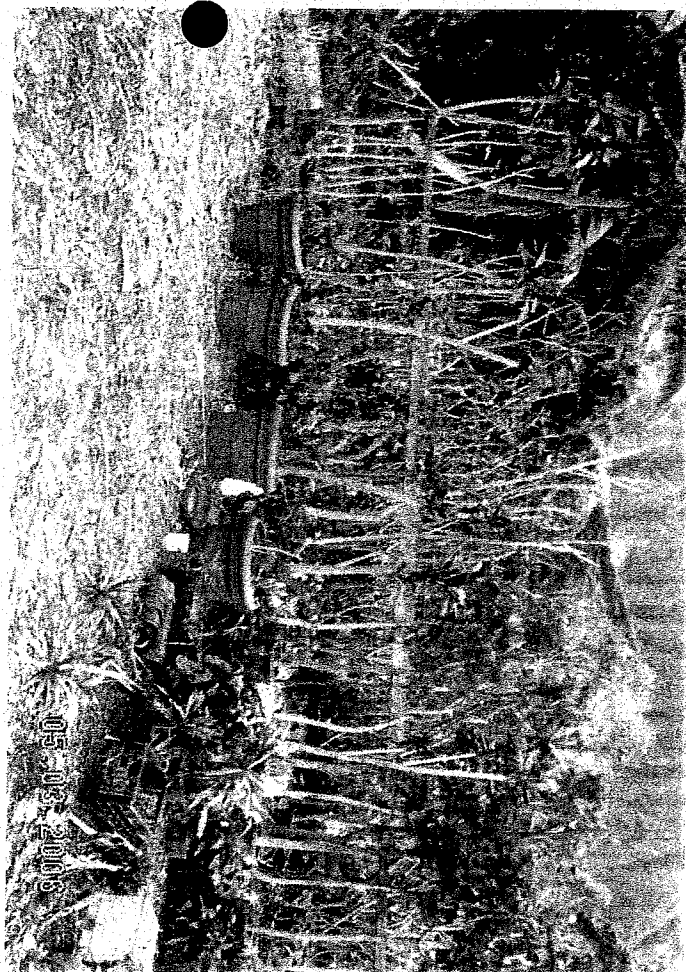
05.03.2006



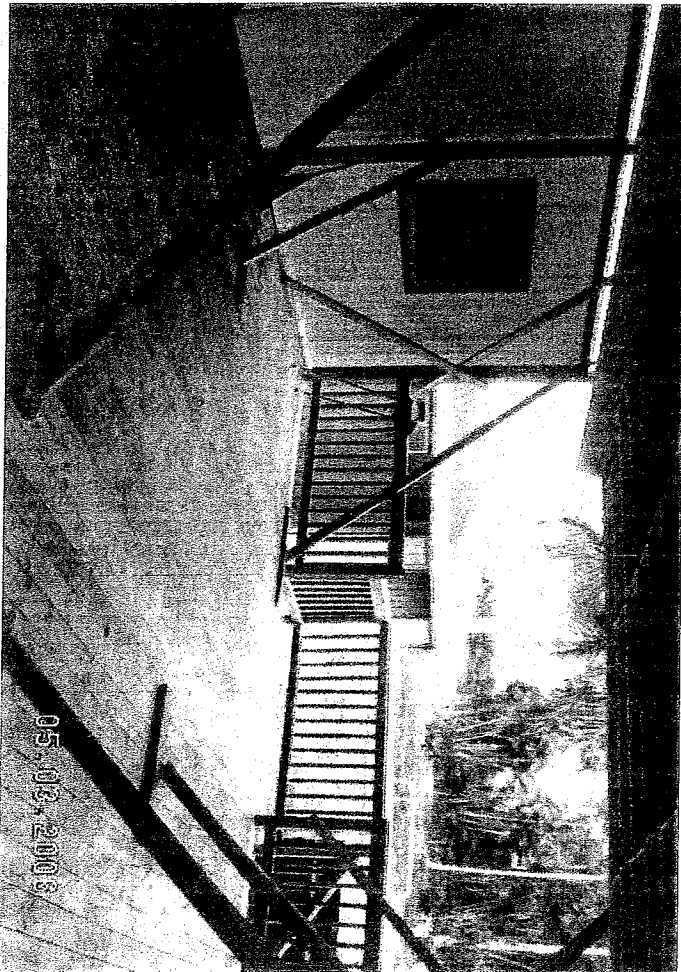
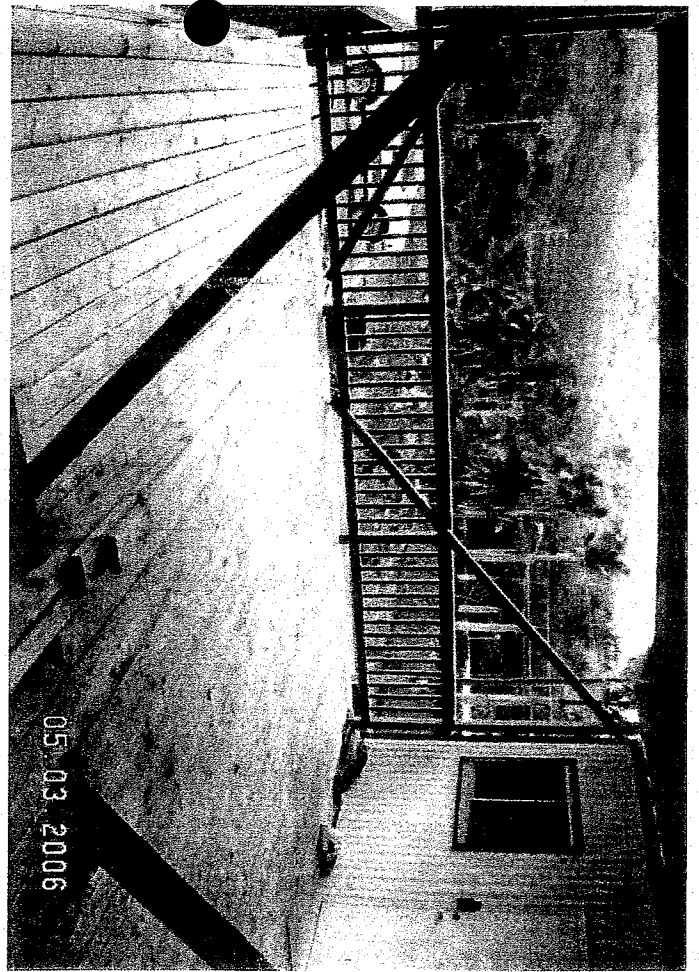
05.03.2006



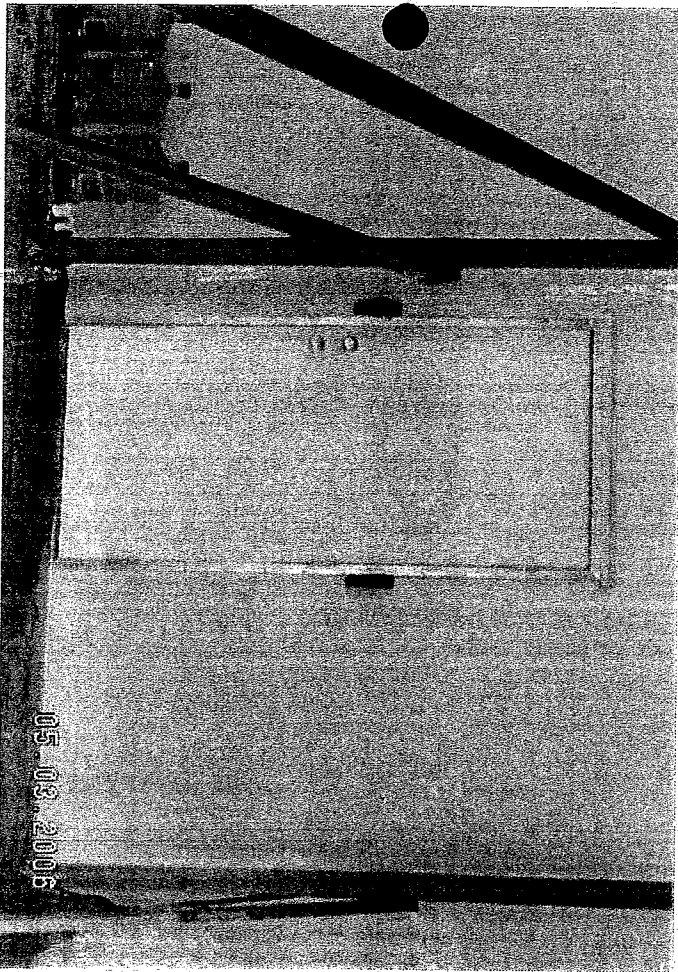
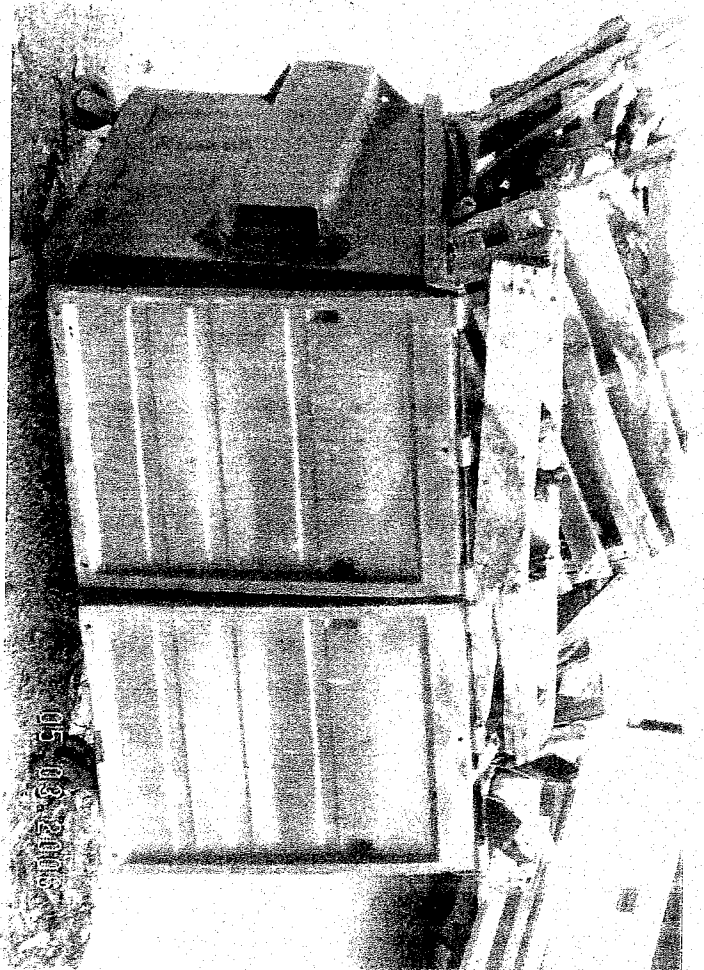
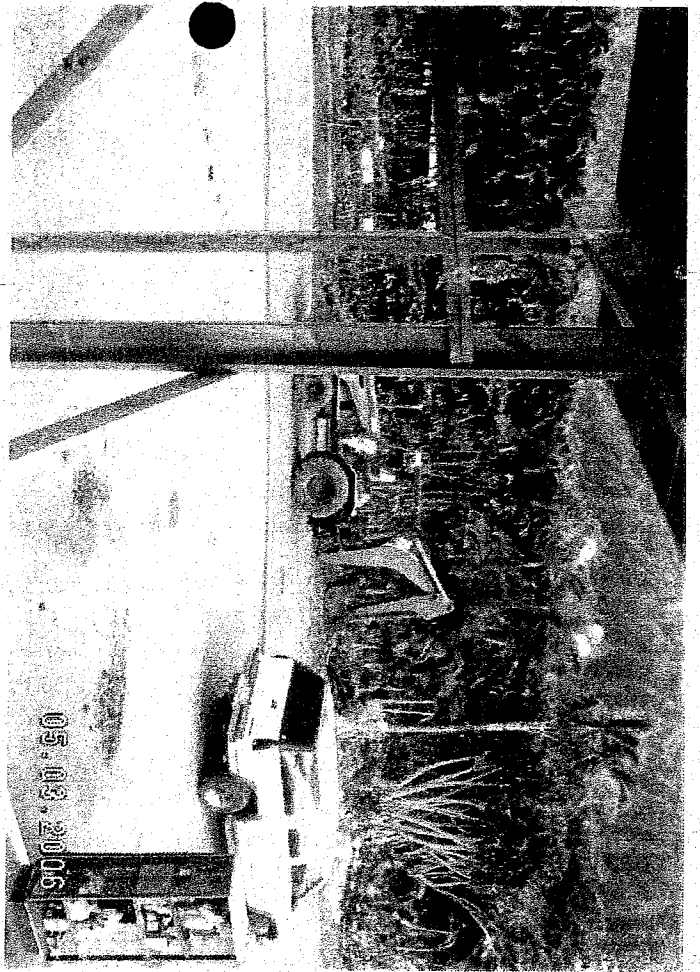


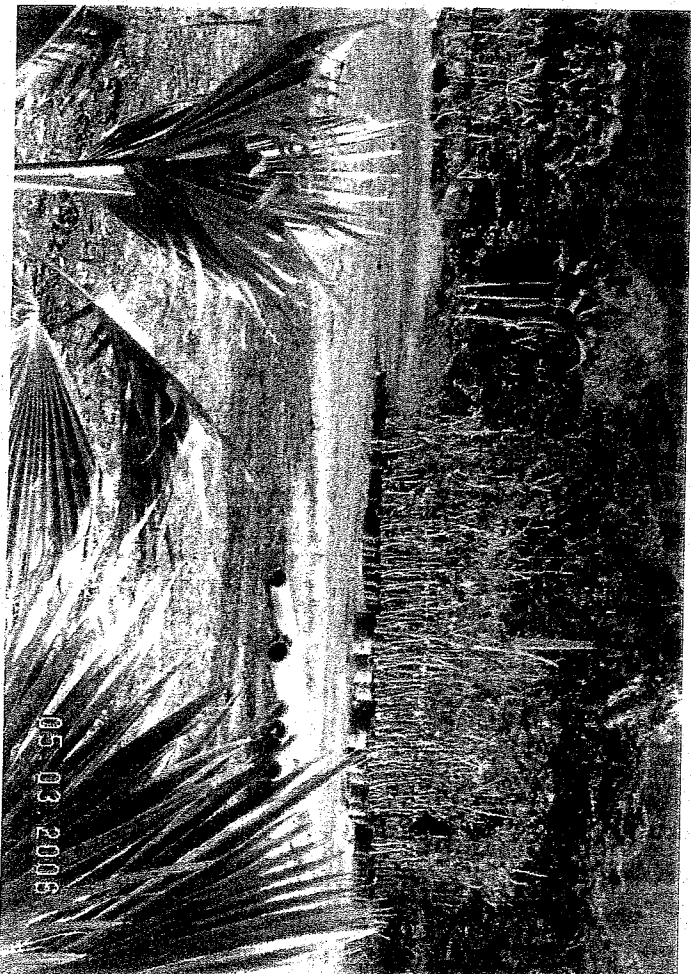
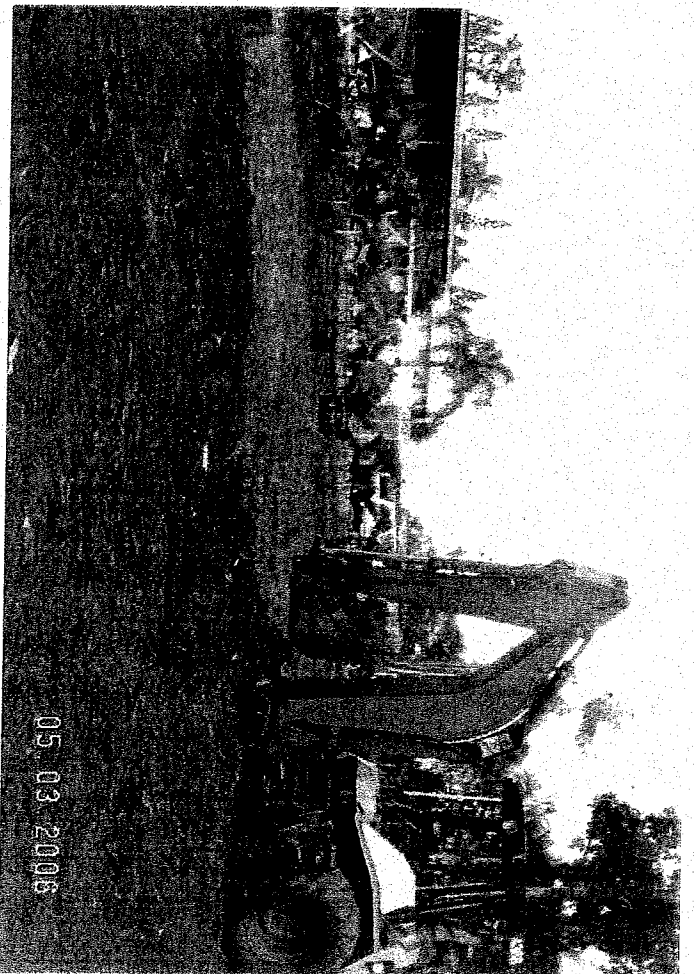
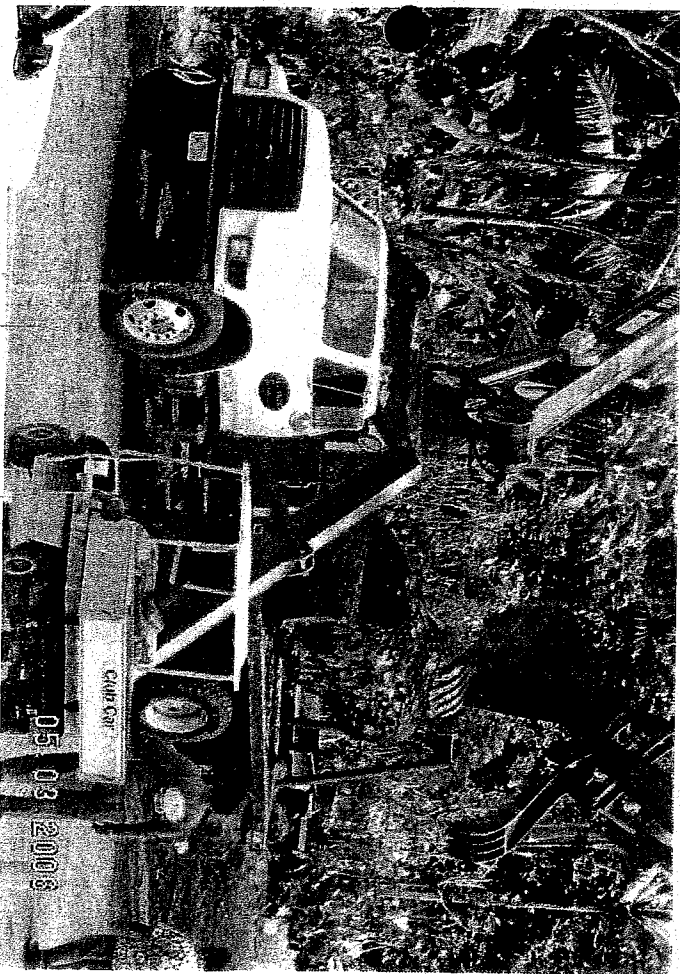
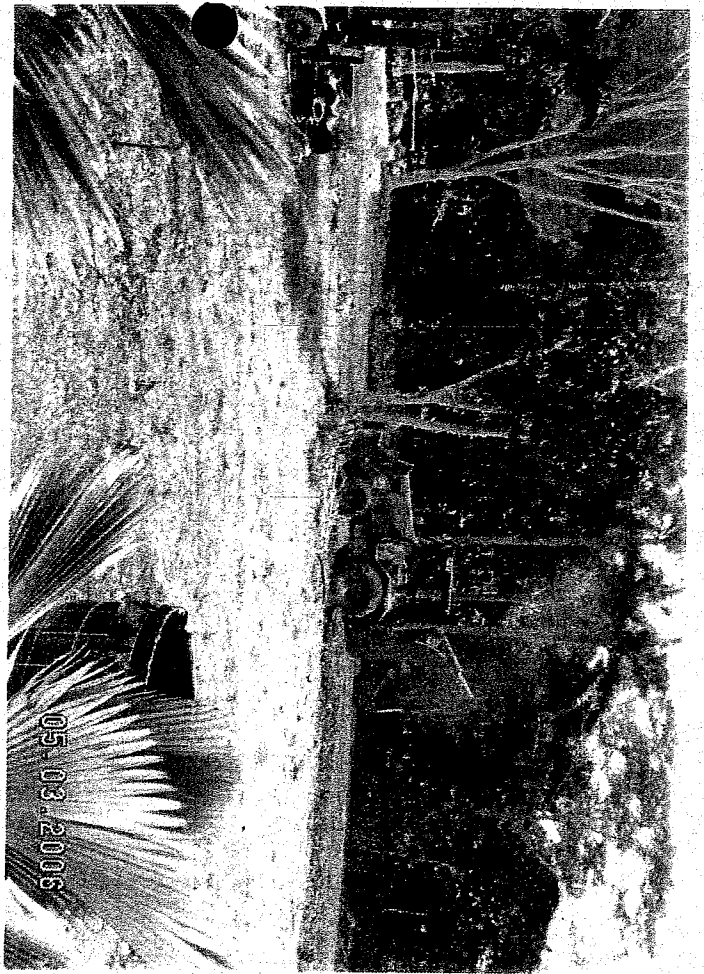




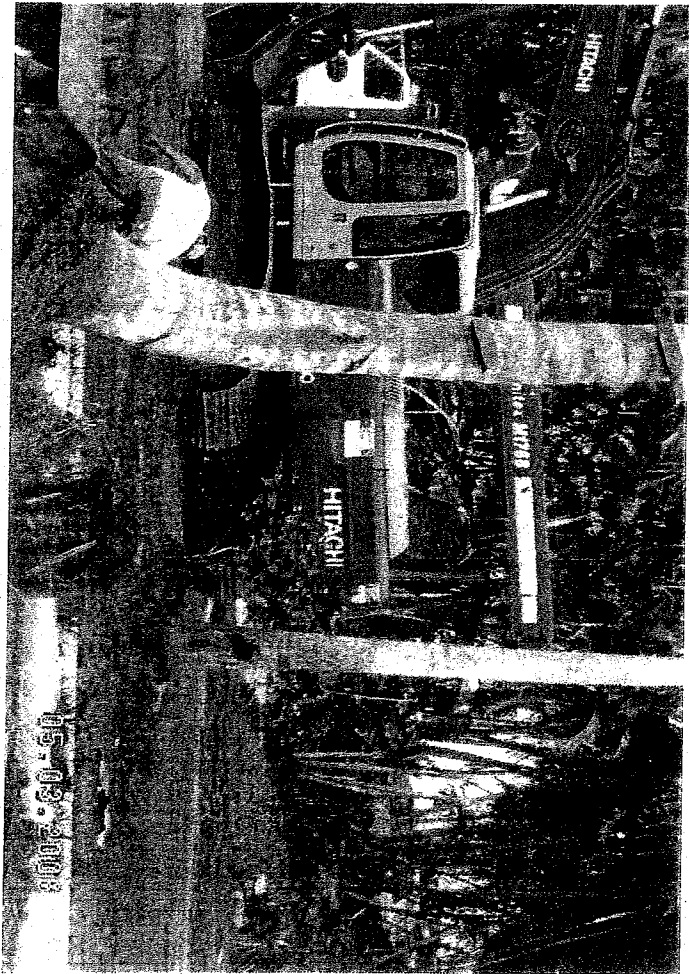
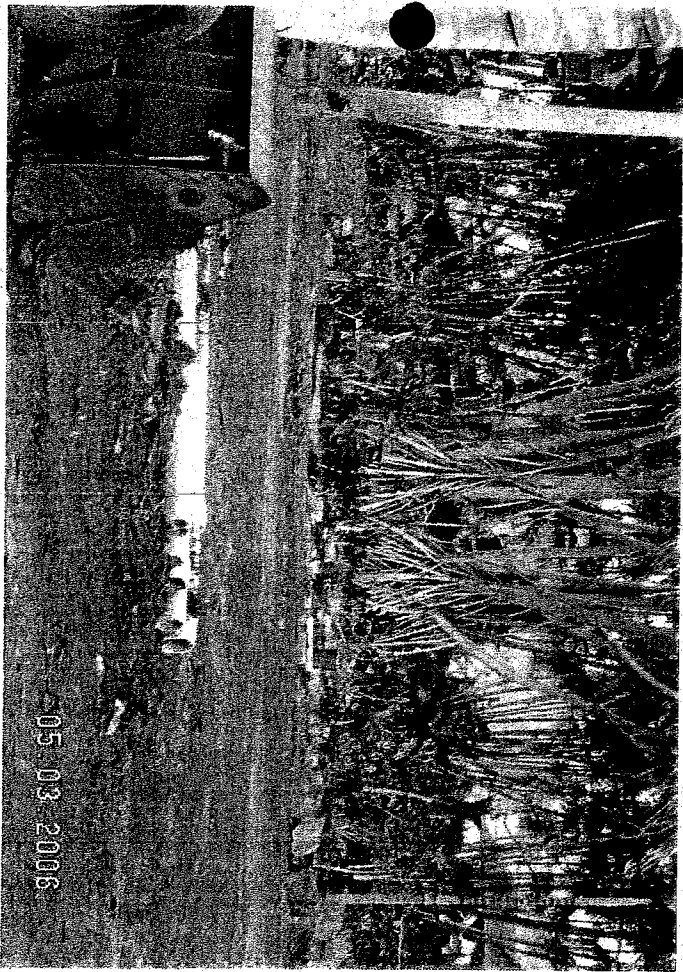
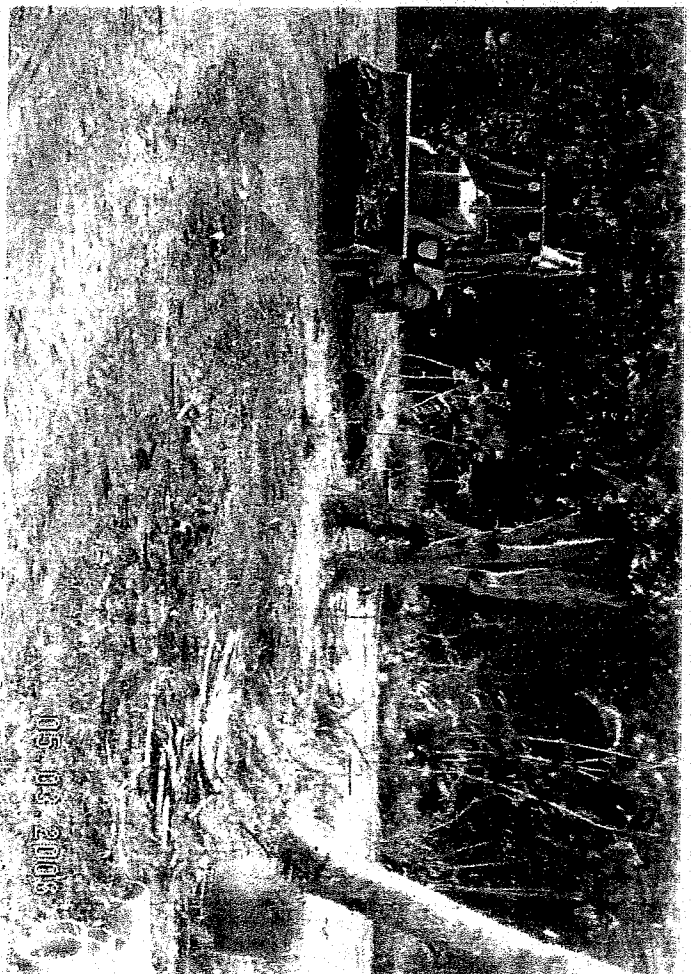
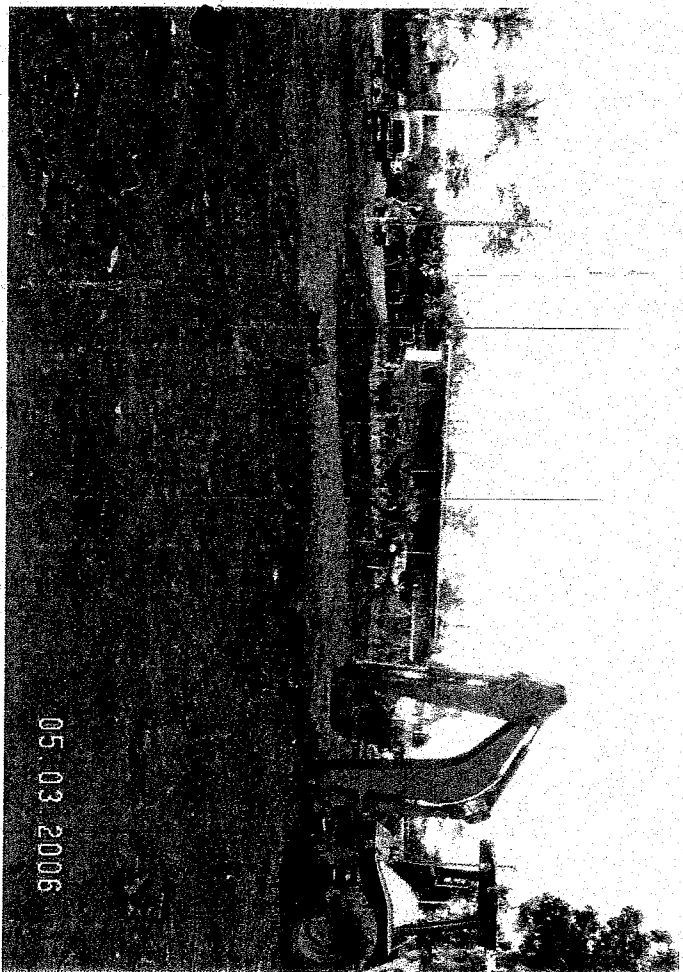


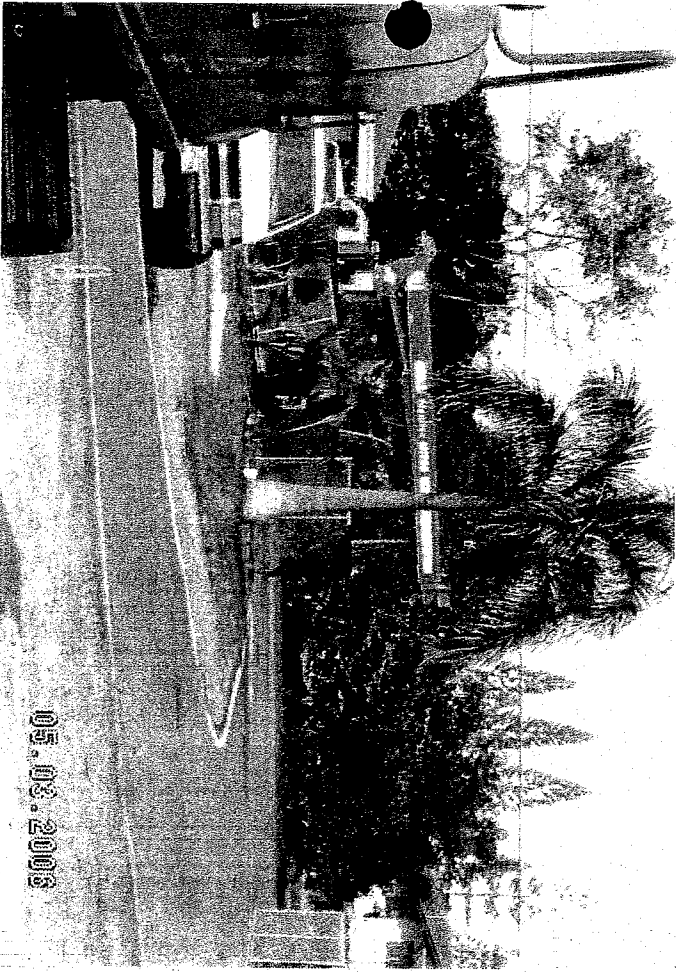
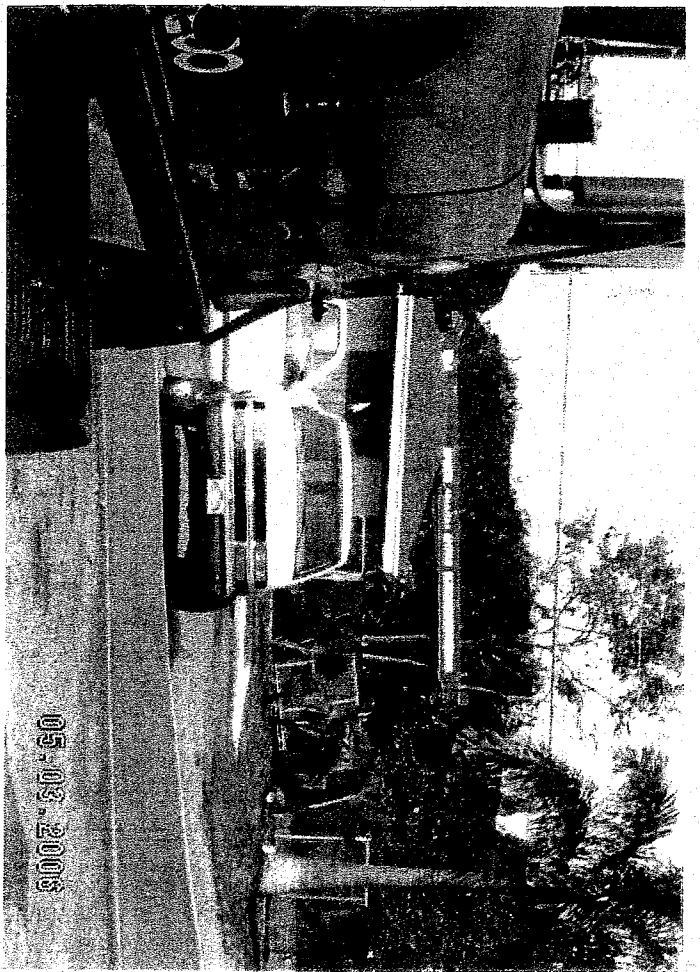












**EXHIBIT " D "**

DECLARATION OF  
TERRENCE D. RODRIGUES

I, Terrence D. Rodrigues, do hereby swear and declare the following:

1. I am an officer, director and controlling shareholder of All Tree Services, Inc.
2. All Tree Services, Inc. knowingly entered into the State General Lease no. S-5707 that contains a use restriction limited to intensive agriculture.
3. I have relocated all aspects of my tree trimming business and my baseyard to 91-1085 Enterprise Avenue, Kapolei, Hawaii 96707.
4. I do not have a baseyard nor conduct any portion of my tree trimming business on the property leased from Board of Land and Natural Resources situated at 41-960 Waikupanaha Street, Waimanalo, TMK: (1) 4-1-10:48.
5. The property leased from Board of Land and Natural Resources, situated at 41-960 Waikupanaha Street, Waimanalo, TMK: (1) 4-1-10:48, is used exclusively for my nursery operation, and not for a baseyard or a tree trimming operation.
6. Other than the mulch referred in item 7 below, I do not store, dump, discard, or dispose of any material collected from my tree trimming operation on the property leased from Board of Land and Natural Resources.
7. I use mulch collected from my tree trimming operation only as ground cover for my nursery situated at 41-960 Waikupanaha Street, Waimanalo, TMK (1) 4-1-40:48.
8. Neither my employees nor I take or receive any phone calls or faxes for my tree trimming business at the property leased from Board of Land and Natural Resources situated at 41-960 Waikupanaha Street, Waimanalo, TMK: (1) 4-1-10:48.

I, Terrence D. Rodrigues, do declare under penalty of law that the foregoing is true and correct.

Date: May 3, 2006

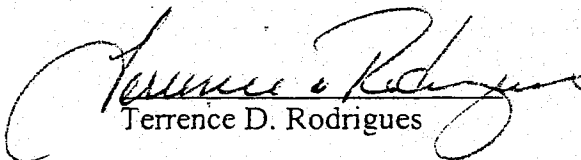
  
Terrence D. Rodrigues

EXHIBIT "D"

# PAVEY HOKE & WATSON, LLC

A Limited Liability Law Company

JUDITH ANN PAVEY  
RICHARD L. HOKE, JR.  
KALI WATSON

FLORENCE F. PAJARDO  
*Paralegal*

May 26, 2006

Mr. Russell Tsuji  
Land Division Administrator  
Dept. of Land & Natural Resources  
State of Hawaii  
1151 Punchbowl Street, Room 220  
Honolulu, Hawaii 96809-0621

Re: All Tree Services, Inc.

Dear Mr. Tsuji,

In an effort to work with you and in response to the violation notice, All Tree Services, Inc. has been diligently preparing a new building permit application for immediate submission to the City's Building & Permitting Department. Our Civil Engineer required a survey of the property with the existing improvements. The survey was expedited and was recently completed. The CAD drawing detailing his findings was sent to the Civil Engineer for processing. He should be finished with his work within the next few days. The Structural Engineer has already completed the drawings for the cited building and deck. This information was also sent to the Electrical Engineer for processing. He also, should be finished very shortly. The revised planting areas have been identified and incorporated in the new drawings. The mobile trailer office will remain as shown on the original plans previously submitted. The separate bathrooms are shown on the revised drawings. The septic system is the same, with the elimination of the sewer line leading to the back warehouse, which was also eliminated based on discussions with DLNR staff. (See attachment). If all goes well, we hope to have the application filed by next week at the latest. At the same time, we will submit the building plans to you for review and approval. My client is sincerely trying to rectify this situation and hopes that you could be kind enough to grant him an extension on the compliance deadline. As we all know, the City review process is very slow and beyond our control.

Regarding Mr. David Kendrick's business relationship to All Tree Services, Inc. As mentioned in the past, and as is the situation presently, he is a nursery consultant. Any and all plant and tree stock inventory on the Waimanalo property belong to All Tree Services, Inc. While at one time for future consideration, the parties contemplated going into business together, this is no longer the case. Mr. Kendrick has sold his inventory to All Tree Services, Inc. and is being retained to provide his expertise on nursery

**EXHIBIT "BB"**

development. There is no and never was any type of sublease to Mr. Kendrick from All Tree Services. If you should have any further questions, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Kali Watson". The signature is fluid and elegant, with a large initial 'K' and a long, sweeping underline.

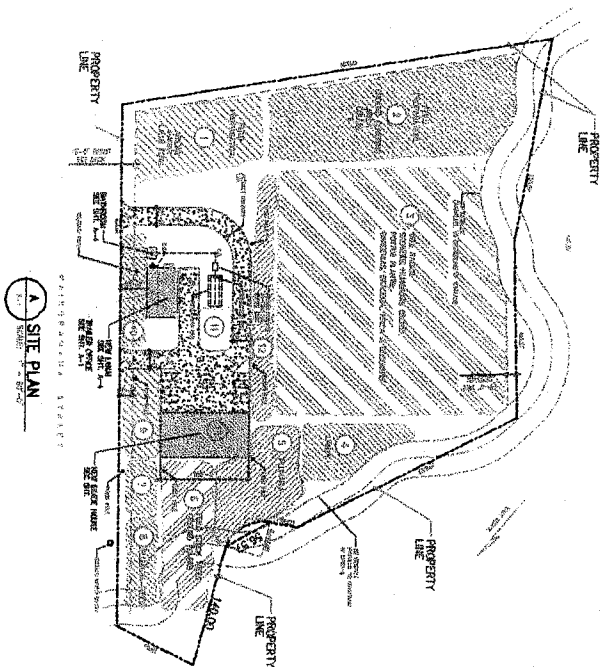
Kali Watson

cc: Rodrigues

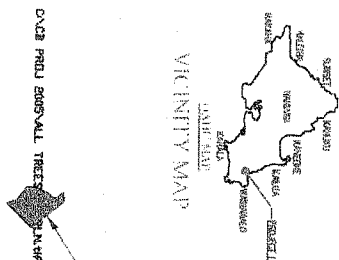


# ALL TREE SERVICES

T.M.K.: 4-1-010:048



## LOCATION MAP



## PROJECT LOCATION

OWNER:	EL LINDEN STAINLESS (TOSCO CORPORATION)
ADDRESS:	41-000 MANHATTAN BLVD
TITLE:	
DESIGN:	1-1-DIE-CUT
SYMBOLS:	PS-2
LOT AREA:	14'-0" FRONT YARD, 14'-0" SIDE YARD
PERM. LABEL:	23-650 SQ. FT.
FLUDED ZONE:	23-650 SQ. FT.
OCCUPANCY:	REH. IN. S.W.A.
CONSTRUCTION TYPE:	200F. F.
	D-2
	TYPE - 1

AREA CALCULATIONS: (GROSS PRODUCTION)	
1	150'-0" x 7'-0" =
2	100'-0" x 30'-0" =
3	50'-0" x 20'-0" =
4	50'-0" x 10'-0" =
5	140'-0" x 100'-0" =
6	140'-0" x 60'-0" =
7	50'-0" x 30'-0" =
8	100'-0" x 35'-0" =
9	100'-0" x 45'-0" =
10	150'-0" x 25'-0" =
11	100'-0" x 30'-0" =
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### ZONING PROJECT DATA TABLE

[illegible]

- [illegible]

T.M.K.: 4-1-010:048

DRAWINGS:  
SITE PLAN  
PROJECT INFO

DATE:  
5/10/2006

T-1

△  
注意  
91-29-03